

Comment Letter #60



July 5, 2022

The Honorable Ben Benoit
Chair of the Governing Board
South Coast Air Quality Management District (SCAQMD)
21865 Copley Drive
Diamond Bar, CA 91765

RE: Comments on the Draft 2022 SCAQMD Air Quality Management Plan (AQMP)

Dear Chair Benoit,

Coalition for Clean Air (CCA) submits the following comments in response to the SCAQMD's Draft 2022 AQMP. Unfortunately, the current draft 2022 AQMP does not provide a viable path towards clean air. While it has long been apparent that SCAQMD had given up on meeting the 2023 attainment deadline, it is concerning that the district is already relying on "black box" reductions to meet both the 2031 and 2037 deadlines. Relying on speculative black box measures at this early stage would lock in failure for the next two decades. We recognize that SCAQMD faces significant challenges in reducing air pollution; however, these challenges do not absolve the district of its role in Southern California's air quality crisis.

Several factors contribute to Southern California's persistently poor air quality. While some of these factors, including Federal action, are not under the district's control, other factors are. Drawn-out rulemaking processes, slow implementation of new rules and reliance on voluntary and market-driven compliance have all contributed to Southern California's persistent air quality challenges. While air quality has improved over the past three decades, progress has slowed considerably. So much so, the South Coast Air Basin has begun to experience backsliding as ozone levels have increased in recent years. This is before considering recent events, such as the 2021 ship backlog that erased years of progress. It is also concerning to see SCAQMD seeking to re-designate the Eastern Coachella Valley as being in "extreme nonattainment" of the 2015 federal 8-hour ozone standard (currently, the Coachella Valley region is in "severe-15 nonattainment.") Given this, SCAQMD must use every tool at its disposal to reduce pollution.

General comments:

- **The Draft 2022 AQMP does not demonstrate a realistic plan to meet air quality standards:** The 2022 Draft AQMP estimates that baseline NOx emissions in 2037 will be 220 tons per day. As such, SCAQMD will need to eliminate another 157 tons per day to reach attainment. Yet, the AQMP's defined measures will only reduce NOx emissions by ninety tons per day. The remaining sixty-seven tons per day – nearly half – are

undefined “black box” reductions stemming from future technologies. Further, the size of the “black box” exceeds the South Coast Air Basin’s entire 2037 carrying capacity.

Additionally, we are concerned about the possibility of the AQMP’s defined measures not generating the expected amounts of emission reductions. The SCAQMD Board has long shown a preference for incentives, voluntary agreements and compromise with industry instead of command-and-control regulations. Further, some of the recently passed command-and-control regulations took years to develop and will take even longer to implement because of rule design (Rule 1109.1) and/or legal challenges from industry (Rule 2305.) Meanwhile, rules currently in development, such as the ports and railyard indirect source rules, are already facing delays due to SCAQMD staffing shortages. To ensure the AQMP’s defined measures achieve, at minimum, a ninety tons per day reduction, both the SCAQMD Governing Board and staff will need to commit to getting every ounce of emissions reduction possible over the next two decades.

- **SCAQMD’s reliance on “black box” reductions in the past have not resulted in clean air:** Every SCAQMD AQMP since 1997 (the earliest AQMP available online) has relied on “black box” reductions (also referred to as “long-term emission reduction measures and strategies” or “182(e)(5) measures”.) While the estimated “black box” in the draft 2022 AQMP is smaller than in prior AQMPs, it still comprises over 40% of the AQMP’s NOx reductions. It is also worth noting other AQMPs made commitments to stop relying on “black box” reductions in the future. Further, the 1997 AQMP also anticipated meeting attainment of the ozone federal air quality standards by 2010.
- **SCAQMD should be clearer about which commitments from prior AQMPs have not been implemented:** Given the lengthy rule development and implementation process, SCAQMD should be clear about which control measures from prior AQMPs that have not yet been implemented. For example, the 2007 AQMP includes a control measure committing to reducing indirect emissions from the ports. Yet, fifteen years later, SCAQMD is only just beginning to develop a ports indirect source review rule. The draft 2022 AQMP lists ten control measures from the 2016 AQMP without an adoption date. As such, the AQMP is unclear as to if SCAQMD has implemented those control measures yet. Any control measures that are being carried over from prior AQMPs (or new control measures that are nearly identical to commitments from earlier AQMPs) should list when they were first proposed.
- **The Draft 2022 AQMP relies heavily on California Air Resources Board (CARB) measures to achieve emission reductions:** Transportation is the largest source of emissions in both California and the South Coast Air Basin. As such, it is not surprising to see the largest portion of emission reductions coming from CARB measures. Yet, the disparity between reductions stemming from CARB measures and SCAQMD measures is

concerning. In 2032, SCAQMD's actions will account for only a fourteen tons per day reduction in NOx and one ton per day reduction in VOCs. CARB's actions, meanwhile, will account for a sixty-six tons per day reduction in NOx and thirty-nine tons per day reduction in VOCs. In 2037, SCAQMD actions will result in a thirty-one tons per day reduction in NOx and another one ton per day reduction in VOCs. Meanwhile, CARB's SIP strategy will result in a 104 tons per day reduction in NOx and sixty-nine tons per day reduction in VOCs in 2037. Given this, we urge SCAQMD to maximize the emission reductions it can achieve through the expedient development and effective implementation of rules, dismantling of RECLAIM and deployment of the cleanest available technology and support infrastructure.

Mobile source comments:

- **SCAQMD should expedite the development and passage of the ports and railyard indirect source rules, as well as prioritize deployment of clean technologies:** We strongly support the inclusion of the ports and railyard indirect source rules (ISRs) in the draft 2022 AQMP. These rules are long overdue, especially considering the squandered opportunities for emission reductions during the attempt to develop a memorandum of understanding with the San Pedro Bay Ports. Yet, we are concerned that the timeline for both ISRs has already slipped by several months. Additionally, SCAQMD should implement ISRs for both new and existing railyards as soon as possible. While we understand why SCAQMD is developing an ISR for new railyards first, communities near existing railyards are experiencing pollution today and have immediate needs.

Specific to railroads, we urge SCAQMD to work with CARB and the federal government to accelerate the deployment of clean locomotives in the South Coast Air Basin. Though CARB has stated the locomotive fleet in Southern California meets the requirements of the 1998 and 2005 Memorandum of Understanding with Class I railroads, it is still concerning that much of the rail fleet in the South Coast Air Basin consist of older, highly polluting locomotives. As the goods movement industry increasingly invests in rail (such as on-dock rail and railyard projects), cleaning up the locomotive fleet will be imperative in the immediate future.

- **Emission reductions from aircraft are not a credible "black box" measure:** The 2022 draft AQMP anticipates a nineteen tons per day reduction in NOx emissions from aircraft due to future technologies. Yet, SCAQMD's draft Aircraft Emissions Inventory Report projects an increase in aircraft movements at airports, as well as increased NOx emissions from aircraft engines due to changes in engine design. Similarly, numerous SCAQMD documents (including the draft 2022 AQMP) and staff reports project aviation emissions to stay the same or increase slightly between 2018 and 2037. While the draft AQMP does identify operational practices that could result in emission reductions (auxiliary power unit usage as well as changes in landing, take-off and taxi operations), it does not identify a credible technological pathway for large-scale emission reductions.

Unless SCAQMD can clearly identify a credible, enforceable path for emission reductions from aircraft, the district should not include reductions from aircraft in the draft AQMP's "black box."

- **Incentive programs have uncertain funding streams and limited reach:** SCAQMD relies heavily on incentives as part of its emissions reduction strategy. The draft AQMP anticipates SCAQMD needing over \$200 million a year for its mobile source incentive programs, totaling \$1.32 billion by 2037. Yet, funding for incentive programs can vary wildly. While both the 2021 and 2022 State Budgets provided significant amounts of funding for incentive programs, prior budgets were far less generous. As such, SCAQMD cannot rely on continued funding for incentive programs, especially if California experiences an economic downturn that impacts the state's revenue streams. If SCAQMD adopts incentives as one of the AQMP's measures, it should indicate how it will secure funding. Additionally, the AQMP should also consider how inflationary trends will impact its funding needs for incentive programs. SCAQMD also needs to identify how incentive investments will result in the expected emission reductions, including the cost-effectiveness of the investments in emission reduction technologies, as well as benefit the communities most impacted by poor air quality.

- **The deadline to turnover pre-2010 trucks is a missed opportunity and raises concerns about the transition to cleaner trucks:** Trucks manufactured before 2010 will either need to be repowered or replaced by the beginning of 2023. Unfortunately, most pre-2010 trucks are being replaced with more diesel trucks (most often, used diesel trucks.) As a result, millions of Southern Californians will continue to be exposed to highly carcinogenic diesel particulate matter. Further, trucks are a significant emitter of NOx pollution, which will make attainment of air quality standards more difficult. Moving forward, SCAQMD should consider how to improve deployment of both near-zero and zero-emissions trucks and expedite the transition away from diesel.

It is worth noting that SCAQMD's proposed Trade Up Program for On-Road Heavy-Duty Vehicles appears promising. Not only will this help owners of pre-2010 trucks upgrade to a 2014 or newer truck, but it will also help transition the owner of the 2014 or newer truck to a near-zero emissions truck. Yet, this program's inclusion in the 2022 AQMP begs a question: why is SCAQMD only proposing this now? As SCAQMD develops this program, we urge the district to maximize the program's benefits for disadvantaged communities and communities most impacted by goods movement corridors. We also urge to follow the requirements established by AB 794 (Carrillo, 2021) and other relevant legislation.

- **Mobile source credit programs must address environmental justice impacts and incentivize surplus emission reductions:** We appreciate the draft AQMP including proposals designed to support the deployment of near-zero and zero-emission trucks

and off-road equipment. Offering credits as an alternative compliance mechanism, however, raises environmental justice concerns. Specifically, credits should not be used to avoid upgrades and retrofits at facilities, particularly at facilities in highly polluted, socioeconomically vulnerable communities. Failing to address these concerns would, in effect, concentrate pollution in the community where the facility is located and dilute the localized benefits of the clean vehicle. Additionally, credits should not be used in lieu of facility-based emission reductions. Rather, credits should be used to incentivize emission reductions beyond what is required. These same concerns also apply to Vehicle Miles Traveled (VMT) credit banking.

Lastly, Rules 1612 and 1612.1 currently allow mobile source credits to be converted to RECLAIM trading credits. Mobile source credits should not be a backdoor way of delaying the dismantling of the RECLAIM program. Rather, SCAQMD should disallow the use of mobile source credits for the RECLAIM program.

Stationary Source Comments:

- **SCAQMD should expedite the dismantling of the RECLAIM program and implementation of Best Available Control Technology (BACT) and Best Available Retrofit Control Technology (BARCT) requirements:** SCAQMD's 2016 AQMP committed to dismantling the RECLAIM program by 2025. AB 617 (C. Garcia, 2017) accelerated this deadline to December 31, 2023. As of today, there are still five BARCT-related NOx landing rules that are in various states of development. SCAQMD should expedite the completion of the final five rules to ensure the expedient dismantling of the RECLAIM program.

Additionally, we remain concerned about SCAQMD's implementation of AB 617's BARCT requirements. SCAQMD has defined "implemented" as having all RECLAIM- and BARCT-related rules updated by December 31, 2023. Yet, some rules (such as Rule 1109.1) will not be completely implemented until the 2030s, long after the BARCT deadline set in law. While we understand there are design, construction and technological challenges with BARCT implementation, the lengthy rulemaking process has also contributed to delayed BARCT deployment. As such, SCAQMD should expedite the deployment and installation of BARCT equipment to ensure that needed emission reductions are achieved as quickly as possible.

- **AB 617 implementation should re-focus on reducing air toxics and other pollutants:** Since the beginning of the AB 617 process, SCAQMD has closely tied implementation of AB 617 to the RFI AIM transition process. As such, most of the rules SCAQMD has passed under AB 617 have been tied to NOx reductions. Of the 18 SCAQMD rules identified for expedited BARCT, fifteen are related to NOx emissions. To address longstanding environmental justice concerns, SCAQMD should refocus AB 617

implementation on addressing air toxics and other pollutants that have an adverse impact on local community health.

- **Building decarbonization should also include air quality benefits, address sources of electricity and prioritize equity:** The draft 2022 AQMP rightly expands on SCAQMD's prior efforts to decarbonize the building sector. Not only do carbon-intensive buildings cause significant amounts of climate pollution, but they also generate significant amounts of smog-forming and other pollutants. As such, SCAQMD should use building decarbonization as an opportunity to also address NOx emissions. To this end, SCAQMD should consider emissions from electricity generation in California and maximize renewable sources of electricity. Though renewable electricity has become a significant source of California's energy, non-renewable sources still generate the bulk of the state's power. Ensuring that clean electricity is powering clean buildings is vital in maximizing emission reductions.

Additionally, SCAQMD must give careful consideration of potential impacts to low-income residents and disadvantaged communities during the transition to clean buildings and appliances. Vulnerable residents often live in older, carbon-intensive housing due to affordability reasons. Additionally, transitioning to electrical appliances is costly, as property owners will need to purchase new appliances and potentially upgrade electrical infrastructure. As such, SCAQMD will need to prioritize equity-focused incentives and assistance to minimize the impact on vulnerable residents.

Thank you for your consideration of our comments.

Sincerely,



Christopher Chavez
Deputy Policy Director