REGULATION XX – RECLAIM PROPOSED AMENDED RULES 2001 – APPLICABILITY AND 2015 – BACKSTOP PROVISIONS

Thursday, May 16, 2019 9:00 a.m. South Coast Air Quality Management District Headquarters 21865 Copley Drive, Diamond Bar, CA 91765 Conference Room GB

Purpose of This Meeting

The South Coast Air Quality Management District (South Coast AQMD) has scheduled a public consultation meeting to obtain comments from the public regarding **Proposed Amended Rules 2001 – Applicability and 2015 – Backstop Provisions.** Proposed Amended Rules (PAR) 2001 and 2015 are scheduled for a Public Hearing before the South Coast AQMD Governing Board on July 12, 2019.

Rule Background

Control Measure CMB-05 of the Final 2016 AQMP, adopted March 3, 2017, committed to an assessment of the Regional Clean Air Incentives Market (RECLAIM) program in order to achieve further NOx emission reductions of five tons per day, including actions to sunset the program and ensure future equivalency to command-and-control regulations.

As part of the transition of RECLAIM facilities to a command-and-control regulatory structure, amendments to Rule 2001 have been incorporated to specify procedures for facilities to exit RECLAIM by opting out if they meet certain criteria. Based on discussions with stakeholders and recommendations from U.S. EPA, amendments to Rule 2001 are needed to keep facilities in RECLAIM until all rule revisions associated with the transition to a command-and-control regulatory structure are adopted and approved in the State Implementation Plan. Staff is also considering amendments to Rule 2015 to provide a clarification to existing backstop provisions in the event actual emissions exceed allocations.

Proposed Rule Amendments and Objectives

PAR 2001 would remove the opt-out provision so that facilities could no longer exit the RECLAIM program before the sunset of the program. PAR 2015 would clarify backstop provisions if the programmatic NOx emissions exceed the RECLAIM trading credit allocation during the implementation period of command-and-control rules for the RECLAIM transition.

California Environmental Quality Act

Pursuant to the California Environmental Quality Act (CEQA) and South Coast AQMD Rule 110, the South Coast AQMD, as lead agency for the proposed project, will be reviewing PAR 2001 and PAR 2015 and will determine if PAR 2001 and PAR 2015 will result in any potential adverse environmental impacts. Appropriate CEQA documentation for the proposed project will be prepared based on the analysis.

Comments and suggestions regarding the CEQA analysis may be directed to:

Mr. Darren Ha Planning, Rule Development and Area Sources, CEQA Section South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765 Phone: (909) 396-2548 Email: <u>dha@aqmd.gov</u>

Available Supporting Documents

The following supporting documents are available:

- Proposed Amended Rule 2001;
- Proposed Amended Rule 2015; and
- Preliminary Draft Staff Report for Proposed Amended Rules 2001 and 2015.

To Obtain Copies of the Above Documents

Copies of the proposed amended rules and the preliminary draft staff report may be obtained from:

Fabian Wesson Public Information Center South Coast AQMD 21865 Copley Drive Diamond Bar, CA 91765 (909) 396-2039 <u>PICrequests@aqmd.gov</u>

The documents are also available for download from the South Coast AQMD website at: <u>http://www.aqmd.gov/home/regulations/rules/proposed-rules</u>

Submission of Documents or Comments

You are invited to attend the meeting and may also send comments, documents or other information relevant to the proposed amended rules listed above to:

Ms. Melissa Gamoning Planning, Rule Development and Area Sources South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765 Phone: (909) 396-3115 Email: <u>mgamoning@aqmd.gov</u>

Written comments on these proposed amended rules should be submitted by May 31, 2019.