BOARD MEETING DATE: June 7, 2019

AGENDA NO. 27

- PROPOSAL: Determine That Reclassification of Coachella Valley for 1997 8-Hour Ozone Standard Is Exempt from CEQA and Approve Request for Reclassification of Coachella Valley for 1997 8-Hour Ozone Standard
- The Coachella Valley is classified as a Severe nonattainment area SYNOPSIS: for the 1997 8-hour ozone standard, with an attainment date of June 15, 2019. Although the air quality in the Coachella Valley area has steadily improved over the years, higher ozone levels were experienced throughout the State of California, including Coachella Valley in 2017 and 2018, resulting in levels greater than the 1997 8-hour ozone standard. The ozone levels in Coachella Valley are impacted by pollutants directly transported from the South Coast Air Basin. As a result, additional time will be needed to bring the Coachella Valley into attainment of this standard. This action is to submit a request to the U.S. EPA through CARB to reclassify the Coachella Valley from Severe to Extreme nonattainment, with a new attainment date of June 15, 2024. The reclassification will ensure that the Coachella Valley will be given the needed extension of the attainment date to make attainment feasible.

COMMITTEE: No Committee Review; Governing Board Reviewed, May 3, 2019

RECOMMENDED ACTIONS:

Adopt the attached Resolution:

- 1) Determining that the reclassification of the Coachella Valley for the 1997 8-hour ozone standard, as requested, is exempt from the requirements of the California Environmental Quality Act; and
- Approving the request for reclassification of Coachella Valley for the 1997 8-hour ozone standard and directing staff to submit the request to the U.S. EPA through CARB to reclassify the Coachella Valley from Severe to Extreme nonattainment for the 1997 8-hour ozone standard.

Wayne Nastri Executive Officer

Background

The Coachella Valley Planning Area is defined as the desert portion of Riverside County in the Salton Sea Air Basin, and is under the jurisdiction of the South Coast AQMD. The Coachella Valley is the most populated area in this desert region, which encompasses several communities, including Palm Springs, Desert Hot Springs, Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Indio, Coachella, Thermal, and Mecca.

In 1979, U.S. EPA established primary and secondary national ambient air quality standards (NAAQS or standards) for ozone at 0.12 parts per million (ppm) averaged over a 1-hour period¹. On July 18, 1997, U.S. EPA revised the primary and secondary standards for ozone to 0.08 ppm, averaged over an 8-hour period (1997 8-hour ozone standards). The 1997 8-hour ozone standard was lowered to 0.075 ppm in 2008, and to 0.070 ppm in 2015. U.S. EPA classifies areas of ozone nonattainment (i.e., Extreme, Severe, Serious, Moderate or Marginal) based on the extent to which an area exceeds the standard. The higher the exceedance level, the more time is allowed to demonstrate attainment in recognition of the greater challenge involved. However, nonattainment areas with the higher classifications are also subject to more stringent requirements.

The Coachella Valley is currently classified as a Severe nonattainment area for the 1997 8-hour ozone NAAQS of 0.08 ppm, with an attainment date of June 15, 2019. The Coachella Valley is downwind of the South Coast Air Basin and its ozone levels are impacted by pollutants directly transported from the South Coast Air Basin as well as pollutants formed secondarily through photochemical reactions from precursors emitted upwind, with limited impact from local sources. Over the past fifteen years, the ozone levels in the Coachella Valley have steadily decreased largely due to the implementation of emission control measures by the South Coast AQMD and CARB. Design values² for the 8-hour ozone standard have declined from 0.108 ppm in 2003 to 0.088 ppm in 2015 and continued to decline to 0.087 ppm in 2016. However, in 2017 and 2018, higher ozone levels were experienced throughout the State of California due to warm and stagnant weather conditions. As a result, the design values in the Coachella Valley increased to 0.088 ppm and 0.091 ppm in 2017 and 2018, respectively. Because of the higher ozone experienced in 2017 and 2018, the Coachella Valley cannot practically attain the 1997 8-hour ozone standard by the attainment deadline of June 15, 2019.

¹ U.S. EPA revoked the 1-hour ozone standard entirely in 2005. However, U.S. EPA regulations require the continuation of certain control measures in areas that were formerly in nonattainment for the 1-hour standard.

 $^{^{2}}$ A design value is a statistic that describes the air quality status of a given area relative to the level and form of the NAAQS. For the 8-hour ozone standard, the design value is a 3-year average and takes into account the form of the short-term standard (i.e., 99th percentile).

Under the Clean Air Act, states and local agencies are able to voluntarily request that U.S. EPA reclassify a nonattainment area to a higher classification of nonattainment. U.S. EPA is required to approve such a request. This "bump up" request can provide additional time for the area to reach attainment, as the new classification will have a later attainment date. However, the area would be subject to the additional requirements of the new classification. For a reclassification of the Coachella Valley to Extreme, the new attainment date would be June 15, 2024. Based on current modeling, South Coast AQMD staff expects that the area will attain the standard by that date.

U.S. EPA will make a finding of failure to attain the 1997 8-hour ozone standard for Coachella Valley by December 2019 unless South Coast AQMD submits a voluntary request for reclassification to Extreme and that request is approved by the U.S. EPA. If the South Coast AQMD does not request the bump up, the Coachella Valley would fail to attain the standard, and the South Coast AQMD would then have to adopt a rule requiring all major stationary sources to pay a non-attainment fee. Under either a finding of failure to attain or a reclassification request, the major source threshold will be lowered from 25 tons per year to 10 tons per year (tpy) of NOx and VOC emissions with additional requirements under Title V and New Source Review (NSR) programs. Also, a revision to the State Implementation Plan (SIP) will be required which will include any additional measures that may reasonably be prescribed to attain the standard.

Given that additional time is needed to bring the Coachella Valley into attainment of the 1997 8-hour ozone standard, staff is recommending submittal of a formal request to U.S. EPA to reclassify the Coachella Valley from Severe to Extreme nonattainment, with a new attainment date of June 15, 2024.

This action will necessitate the development of a new Extreme area SIP, including an attainment demonstration with a new deadline as early as practicable but no later than June 15, 2024. The Extreme nonattainment area SIP will necessarily continue to rely on emission reductions in the South Coast Air Basin, upwind of Coachella Valley. The reclassification will require South Coast AQMD rule amendments to lower the major stationary source threshold for NOx and VOC from the 25 tpy to 10 tpy within 12 months after the reclassification is approved by U.S. EPA. Stationary sources in Coachella Valley with a potential to emit between 10 and 25 tpy of NOx and VOC would be subject to the applicable requirements for major stationary sources in Title V permitting and NSR programs. Based on staff analysis, only one existing facility in Coachella Valley may be potentially subject to these new requirements. Moreover, under the Clean Air Act, the South Coast AQMD would be required to lower the major source threshold even if we do not request a "bump up" but instead are subject to a finding of failure to attain.

Considering the overall downward ozone trends in recent years, notwithstanding 2017 and 2018, Coachella Valley is anticipated to attain the standard under an Extreme nonattainment classification earlier than the new attainment deadline of June 15, 2024. Existing regulations that are already implemented or will fully be implemented in the next few years will continue to reduce emissions in future years. The reduced baseline emissions are expected to be sufficient to demonstrate attainment as early as practicable but no later than June 15, 2024.

More details on this issue are provided in the draft staff report, Attachment B.

Proposal

Since additional time is needed to bring the Coachella Valley into attainment of the 1997 8-hour ozone standard, staff is recommending submittal of a formal request to U.S. EPA through CARB to reclassify the Coachella Valley from Severe to Extreme nonattainment, with a new attainment date of June 15, 2024. This reclassification is exempt from the requirements of the California Environmental Quality Act, as described in the California Environmental Quality Act section below.

Public Process

Staff provided an informational briefing at the South Coast AQMD Board meeting on May 3, 2019. Public outreach was conducted to notify interested parties regarding the Coachella Valley reclassification request for the 1997 8-hour ozone standard. Notifications including newspaper postings, mass mailings, and email notifications sent to all permitted facilities and interested parties in Coachella Valley. Staff conducted two public consultation meetings on May 1, 2019 in Coachella Valley with almost 40 representatives attending from the public, local communities, businesses, environmental groups, and local governments. Comments provided at these meetings and staff responses are included in the attached draft staff report. Staff also gave a presentation to the Coachella Valley Association of Governments on May 9, 2019. Written comments on the reclassification request for Coachella Valley and associated draft staff report were accepted until May 15, 2019. Two comment letters were received prior to the May 15, 2019 deadline. The comment letters and staff responses are incorporated into the draft staff report, Attachment B.

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, has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Because the reclassification of the Coachella Valley, as requested, is strictly administrative in nature, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. Also, the proposed project is categorically exempt because it is intended to further protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Action by Regulatory Agencies for Protection of the Environment. Further, South Coast AQMD staff has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemptions apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. Therefore, the proposed project is exempt from CEQA. A Notice of Exemption will be prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

Resource Impacts

Reclassification of the Coachella Valley will necessitate development of a SIP update within 12 months of U.S. EPA's approval of the bump-up request. In addition, minor updates to South Coast AQMD rules will be required to change the major source threshold to 10 tpy of VOC and NOx. These updates will be implemented with South Coast AQMD existing resources.

Attachments

- A. Resolution
- B. Draft Staff Report Request for Reclassification of Coachella Valley for the 1997 8-Hour Ozone Standard
- C. Notice of Exemption from the California Environmental Quality Act
- D. Board Meeting Presentation

ATTACHMENT A

RESOLUTION NO. 19-____

A Resolution of the South Coast Air Quality Management District (South Coast AQMD) Governing Board determining that the South Coast AQMD's request for reclassification of Coachella Valley for the 1997 8-hour ozone national ambient air quality standard (NAAQS) is exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the South Coast AQMD approving the request for reclassification of Coachella Valley for the 1997 8-hour ozone standard and directing staff to forward the South Coast AQMD's request for reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS to the California Air Resources Board (CARB) for submission to the United States Environmental Protection Agency (U.S. EPA).

WHEREAS, the South Coast AQMD Governing Board finds and determines that the South Coast AQMD's request for reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS is considered a "project" pursuant to CEQA per CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA, that the South Coast AQMD's request for reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS is determined to be exempt from CEQA; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that it can be seen with certainty that there is no possibility that the proposed project may have any significant adverse effects on the environment, and is therefore, exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that the proposed project is also categorically exempt from CEQA pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment, because the proposed project is intended to further protect or enhance the environment; and WHEREAS, the South Coast AQMD Governing Board has considered whether proposed project may have significant environmental impacts due to unusual circumstances, as set forth in CEQA Guidelines Section 15300.2, and has determined that none exist for the proposed project; and

WHEREAS, the South Coast AQMD staff has prepared a Notice of Exemption for the proposed project, that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, the proposed project and supporting documentation, including but not limited to, the Notice of Exemption, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, and has taken and considered staff testimony and public comment prior to approving the project; and

WHEREAS, the Coachella Valley, defined as the desert portion of Riverside County in the Salton Sea Air Basin, is designated as a Severe-15 nonattainment area for the 1997 8-hour ozone NAAQS with an attainment date of June 15, 2019; and

WHEREAS, the air quality monitoring data for the Coachella Valley indicates that the Coachella Valley will not be able to achieve attainment of the 1997 8-hour ozone NAAQS by the deadline of June 15, 2019; and

WHEREAS, the ozone air quality in Coachella Valley is primarily impacted by transport of air pollutants from the South Coast Air Basin; and

WHEREAS, the South Coast AQMD may submit a voluntary request to the U.S. EPA to request for reclassification of Coachella Valley from Severe-15 nonattainment to Extreme nonattainment, pursuant to CAA Section 181(b)(3) – Classifications and Attainment Date, to provide up to five additional years to meet the 1997 8-hour ozone NAAQS; and

WHEREAS, The U.S. EPA will make a finding of failure to attain the 1997 8-hour ozone standard for Coachella Valley by December 2019 unless South Coast AQMD submits a voluntary request for reclassification to Extreme nonattainment; and

WHEREAS, the reclassification of Coachella Valley to an Extreme Area will provide a new attainment deadline of June 15, 2024 for the 1997 8-hour ozone NAAQS; and

WHEREAS, the South Coast AQMD Governing Board has held a public meeting to consider approval of the South Coast AQMD's request for reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS; and

WHEREAS, the South Coast AQMD specifies the manager of the South Coast AQMD's request for reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS as the custodian of the documents or other materials which constitute the record of proceedings upon which the approval is based, which are located at the South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765; and

WHEREAS, the South Coast AQMD Governing Board has determined that no socioeconomic assessment is required under Health and Safety Code Section 40440.8(a), and further that no socioeconomic impact will result from the reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS; and

NOW, THEREFORE, BE IT RESOLVED, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption, and CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. No exception to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2, including the "unusual circumstances" exception, applies to the proposed project. This information was presented to the South Coast AQMD Governing Board, whose members reviewed, considered and approved the information therein prior to acting on the proposed project; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board does hereby approve, pursuant to the authority granted by law, the South Coast AQMD's Request for Reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS, Attachment B to the board letter and incorporated herein by this reference; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Executive Officer is hereby directed to forward a copy of this Resolution and the South Coast AQMD's request for reclassification of Coachella Valley for the 1997 8-hour ozone NAAQS to CARB, and to request that these documents be forwarded to the U.S. EPA for its approval to reclassify Coachella Valley to Extreme nonattainment for the 1997 8-hour ozone NAAQS. In addition, the South Coast AQMD Executive Officer is directed to forward any other information requested by the U.S. EPA for informational purposes.

DATE: _____

Clerk of the Boards

ATTACHMENT B

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Draft Staff Report

Request for Reclassification of Coachella Valley for the 1997 8-Hour Ozone Standard

May 17, 2019

Executive Officer

Wayne Nastri

Deputy Executive Officer

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SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

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TABLE OF CONTENTS

EXECUTIVE SUMMARY

		ES-1
CHAPTER 1:	INTRODUCTION	
INTR	ODUCTION	1-1
ATTA	AINMENT STATUS OF COACHELLA VALLEY FOR OZONE	1-1
	NATIONAL AMBIENT AIR QUALITY STANDARDS	
HIST	ORY OF AIR QUALITY PLANNING FOR THE 1997	1-2
	8-HOUR OZONE STANDARDS IN COACHELLA VALLEY	
CUR	RENT ATTAINMENT STATUS FOR THE 1997 8-HOUR OZONE	1-4
	STANDARD IN COACHELLA VALLEY PLANNING AREA	
CHAPTER 2:	AIR QUALITY TRENDS	
INTR	ODUCTION	2-1
FACT	ORS THAT INFLUENCE OZONE CONCENTRATIONS	2-1
OZOI	NE MONITORING DATA	2-2
OZOI	NE ATTAINMENT STATUS	2-9
CHAPTER 3:	REQUEST FOR RECLASSIFICATION	
INTR	ODUCTION	3-1
REQU	JIREMENTS UPON RECLASSIFICATION TO AN	3-1
	EXTREME NONATTAINMENT AREA	
IMPA	ACTS ON MAJOR STATIONARY SOURCES	3-3
CHAPTER 4:	STAFF RECOMMENDATION	4-1
CHAPTER 5:	PUBLIC PROCESS	5-1
APPENDIX A	:	A-1

Executive Summary

The Coachella Valley is classified as a Severe-15 nonattainment area for the 1997 8-hour ozone national ambient air quality standard (NAAQS) of 0.08 ppm, with an attainment date of June 15, 2019. Over the past 15 years, the air quality in the Coachella Valley has steadily improved because of the implementation of emission control measures by South Coast AQMD and California Air Resources Board (CARB). Ozone levels in the Coachella Valley are impacted by pollutants directly transported from the South Coast Air Basin as well as pollutants formed secondarily through photochemical reactions from precursors emitted upwind. Local sources therefore have limited impact on the Coachella Valley's ozone levels. Design values for the 8-hour ozone standard have declined from 0.108 ppm in 2003 to 0.087 ppm in 2016. However, in 2017 and 2018, higher ozone levels were experienced throughout the State of California due to changes in meteorology, biogenic emissions, and/or anthropogenic emissions. For example, 2017 and 2018 summers were particularly warm and stagnant throughout the West. As a result of the higher ozone experienced in 2017 and 2018, the Coachella Valley cannot practically attain the 1997 8-hour ozone standard by the attainment deadline of June 15, 2019. The inability to attain the standard is largely due to weather conditions that are impacting not only the Coachella Valley and the South Coast Air Basin, but the entire State of California and Western United States.

Under the Clean Air Act, states and local agencies are able to voluntarily request that U.S. EPA reclassify a nonattainment area to a higher classification of nonattainment. This "bump-up" request can provide additional time for the area to reach attainment, as the new classification will have a later attainment date. However, the area would be subject to the additional requirements of the new classification.

The U.S. EPA will make a finding of failure to attain the 1997 8-hour ozone standard for Coachella Valley by December 2019 unless South Coast AQMD submits a voluntary request for a reclassification to Extreme and that request is approved by the U.S. EPA. If the South Coast AQMD does not request the bump-up, the Coachella Valley would fail to attain the standard, and the South Coast AQMD would then have to adopt a rule requiring all major stationary sources to pay a nonattainment fee. In either case, the major source threshold will be lowered from 25 tons per year to 10 tons per year of NOx and VOC emissions with additional requirements under Title V and New Source Review (NSR) programs. Finally, a revision to the State Implementation Plan (SIP) will-likely be required which will include additional measures that may reasonably be prescribed to attain the standard.

Given that additional time is needed to bring the Coachella Valley into attainment of the 1997 8-hour ozone standard, staff is recommending to submit a formal request to U.S. EPA to reclassify the <u>area</u> Coachella Valley from Severe-15 to Extreme nonattainment, with a new attainment date of June 15, 2024. The reclassification ensures that the Coachella Valley will be given the needed extension of the attainment date to make attainment feasible, and prevent the imposition of the nonattainment fee imposed on major stationary sources. This action will necessitate the development of a new Extreme area SIP, including an attainment demonstration with a new deadline as early as practicable but no later than June 15, 2024. Based on current modeling and existing control measures, South Coast AQMD staff anticipate that the area will be able to attain the standard by that date. The Extreme nonattainment area SIP will necessarily continue to rely on emission reductions in the South Coast AQMD rule amendments to lower the major stationary source threshold for NOx and VOC from the 25 tpy to 10 tpy within 12 months after the

reclassification is approved by U.S. EPA. Stationary sources in Coachella Valley with a potential to emit between 10 and 25 tpy of NOx and VOC would be subject to the applicable requirements for major stationary sources in Title V permitting and NSR Programs. Based on staff's analyses, <u>oneonly a few</u> existing <u>facility</u>facilities in Coachella Valley may be potentially impacted by these new requirements. Although the reclassification request may potentially impose additional requirements on these facilities, it will ensure that the Coachella Valley is given the needed extension of the attainment date to make attainment feasible. Moreover, the change in the major source threshold must be implemented even if reclassification is not requested and U.S. EPA makes a finding of nonattainment.

1. Introduction

The Coachella Valley Planning Area is defined as the desert portion of Riverside County in the Salton Sea Air Basin, and is under the jurisdiction of the South Coast Air Quality Management District (South Coast AQMD or District). <u>The Coachella Valley Planning Area excludes the tribal lands which are under the jurisdiction of the U.S. EPA.</u> The Coachella Valley is the most populated area in this desert region, which encompasses several communities, including Palm Springs, Desert Hot Springs, Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Indio, Coachella, Thermal, and Mecca. Figure 1-1 provides a map of the area and the surrounding topography.

The Coachella Valley Planning Area is located downwind of the South Coast Air Basin, which is also under the jurisdiction of South Coast AQMD. The topography and climate of Southern California combine to make the South Coast Air Basin an area of high air pollution potential. Ozone levels in the Coachella Valley Planning Area are impacted by pollutants directly transported from the South Coast Air Basin as well as pollutants formed secondarily through photochemical reactions from precursors emitted upwind with limited impact from local emission sources. While local emissions controls benefit Coachella Valley air quality, the area must rely on emissions controls being implemented upwind to demonstrate improved air quality and attainment of the federal ozone standard.



FIGURE 1-1 LOCATION AND TOPOGRAPHY OF THE COACHELLA VALLEY PLANNING AREA

Attainment Status of Coachella Valley for Ozone National Ambient Air Quality Standards

In 1979, the U.S. EPA established primary and secondary national ambient air quality standards (NAAQS or standards) for ozone at 0.12 parts per million (ppm) averaged over a 1-hour period¹. On July 18, 1997, the U.S. EPA revised the primary and secondary standards for ozone to 0.08 ppm, averaged over an 8-hour period ("1997 8-hour ozone standards"). The 1997 8-hour ozone standard was lowered to 0.075 ppm in 2008, and to 0.070 ppm in 2015. The U.S. EPA classifies areas of ozone nonattainment (i.e., Extreme, Severe, Serious, Moderate or Marginal) based on the extent to which an area exceeds the standard. The higher the current exceedance level, the more time is allowed to demonstrate attainment in recognition of the greater challenge involved. However, nonattainment areas with higher classifications are also subject to more stringent requirements.

The Coachella Valley is designated by U.S. EPA as a nonattainment area for the 2015 8-hour ozone standard of 0.070 ppm, the 2008 8-hour ozone standard of 0.075 ppm, and for the 1997 8-hour ozone standard of 0.08 ppm. For the three 8-hour ozone federal standards, the Coachella Valley is classified as a Severe-15 or Severe ozone nonattainment area, indicating that the area has 15 years from the nonattainment designation date to attain the standard. The Coachella Valley is already in attainment of the revoked federal standard for 1-hr ozone. Table 1 summarizes the attainment date and the attainment status for each of the federal ozone air quality standard for Coachella Valley.

Criteria Pollutant	Averaging Time	Designation	Attainment Date
	(1979) 1-Hour (0.12 ppm)	Attainment	11/15/2007 (attained 12/31/2013)
Ozone (O₃)	(1997) 8-Hour (0.08 ppm)	Nonattainment (Severe-15)	6/15/2019
	(2008) 8-Hour (0.075 ppm)	Nonattainment (Severe-15)	7/20/2027
	(2015) 8-Hour (0.070 ppm)	Nonattainment (Severe)	8/3/2033

TABLE 1-1

ATTAINMENT STATUS OF THE FEDERAL OZONE AIR QUALITY STANDARDS OF THE COACHELLA VALLEY PLANNING AREA

In contrast, the South Coast Air Basin is classified as an Extreme nonattainment area for all three 8-hour ozone standards because of even higher ozone levels, and has 20 years to attain each standard from the effective date of the final designation. For the 1997 and 2008 8-hour ozone standards, the attainment dates for the South Coast Air Basin are June 15, 2024 and July 20, 2032, respectively.

¹ U.S. EPA revoked the 1-hour ozone standard entirely in 2005. However, U.S. EPA regulations require the continuation of certain control measures in areas that were formerly in nonattainment for the 1-hour standard.

History of Air Quality Planning for the 1997 8-Hour Ozone Standards in Coachella Valley

The federal Clean Air Act (CAA or Act) requires nonattainment areas to develop and implement an emission reduction plan that will bring the area into attainment in a timely manner by the statutory deadline. This plan and the underlying technical analyses are integrated into Air Quality Management Plans (AQMPs or Plans) for the region. The South Coast AQMD, with contributions from and collaborations with the California Air Resources Board (CARB) and Southern California Association of Governments (SCAG), has developed several comprehensive AQMPs since the mid 1990s to address updates to air quality standards and attainment deadlines.

The following SIP submittals addressed the CAA planning requirements for attaining the 1997 8-hour ozone standards for the Coachella Valley:

 "Final 2007 Air Quality Management Plan," South Coast Air Quality Management District, June 2007 (2007 AQMP); and "2007 State Strategy for the California State Implementation Plan," September, 2007 (2007 State Strategy);

The 2007 AQMP addressed attainment of the 1997 ozone standard for both the South Coast Air Basin and Coachella Valley including the following components:

- Emissions estimates, reasonable further progress (RFP) demonstrations, and motor vehicle emission budgets in Chapter 8;
- Detailed base and future emission inventories in Appendix III;
- Modeling for the attainment demonstration in Chapters 5 and 8, and Appendix V;
- Control strategy in Chapters 4 and 7; and
- Reasonably Available Control Measures (RACM) discussion in Chapter 6 and Appendix VI.

The 2007 State Strategy, as amended by the 2009 State Strategy Status Report² and 2011 State Strategy Progress Report³, provided a RACM demonstration for mobile sources (Chapter 3, Chapter 5, Appendix A, etc.). Appendix F of the 2011 State Strategy Progress Report provided revised control measure commitments and a revised rule implementation schedule for the 2007 AQMP.

Based on the 2007 AQMP and the 2007 State Strategy, the Coachella Valley was projected to attain the 1997 8-hour ozone standard (0.08 ppm) by 2018.

² "Status Report on the State Strategy for California's 2007 State Implementation Plan (SIP) and Proposed Revision to the SIP Reflecting Implementation of the 2007 State Strategy," CARB, Release Date: March 24, 2009 (2009 State Strategy Status Report).

³ "Progress Report on Implementation of PM2.5 State Implementation Plans (SIP) for the South Coast and San Joaquin Valley Air Basins and Proposed SIP Revisions," CARB, Release Date March 29, 2011 (2011 State Strategy Progress Report).

2. "Proposed Updates to the 1997 8-Hour Ozone Standard, State Implementation Plans; Coachella Valley and Western Mojave Desert," CARB, October, 2014 (2014 SIP Update).

The 2014 SIP Update, which covered both the Coachella Valley and Western Mojave Desert 1997 8-hour ozone nonattainment areas, reflected the new U.S. EPA guidance ⁴ for the RFP demonstration and updated emission inventories. The 2014 SIP Update included updated emissions inventories, reasonable further progress (RFP) demonstration, vehicle miles travelled (VMT) offset demonstration, motor vehicle emissions budgets and revision to the attainment targets for NOx and VOC emissions. The 2014 Update demonstrated that the adopted regulations would provide the emission reductions necessary to achieve attainment of the 0.08 ppm 8-hour ozone standard in the Coachella Valley by the attainment date and meet RFP requirements in the milestone years. Finally, the 2014 SIP Update (and 2007 AQMP) contained contingency measures to be implemented in the event the area fails to meet an RFP milestone or fails to attain by the applicable date.

While the 2007 AQMP and the 2014 SIP Update addressed and satisfied the CAA planning requirements for the Coachella Valley, the 2012 AQMP provided the projections of future ozone levels based on the updated emissions inventories and modeling efforts for informational purposes. With the latest emissions and modeling projections provided in the 2012 AQMP, staff confirmed that the strategy towards attainment of the federal ozone standards in the Coachella Valley remained effective.

The 2016 AQMP outlined the strategy to attain the 2008 8-hour ozone standard (0.075 ppm) for the Coachella Valley Planning Area, and discussed the attainment status towards the 1997 8-hour ozone standard (0.08 ppm). The 2016 AQMP evaluated the number of days exceeding the 1997 standard at the highest Coachella Valley monitoring station from 1990 through 2015. The ozone levels showed progressive improvement, from 18 exceedance days in 2012 base year to only 6 days in 2015. The 8-hour ozone standard is based on the 99th percentile highest value, which is the fourth highest value each year. As such, staff expected that Coachella Valley would attain the 1997 ozone standard by the end of 2018, corroborating the ozone SIP attainment demonstration in the 2007 AQMP and the CARB 2014 SIP Update.

Current Attainment Status for the 1997 8-Hour Ozone Standard in Coachella Valley Planning Area

The Coachella Valley is downwind from the South Coast Air Basin (Basin), and is directly impacted by the air quality in the Basin. Implementation of the South Coast AQMD and the CARB emissions control measures over the past several decades have resulted in demonstrable progress in reducing ozone levels in the Basin. As a result, air quality in the Coachella Valley has also steadily improved, as demonstrated by the ambient air quality data. Design values⁵ for the 8-hour ozone standard declined from 0.108 ppm in 2003 to 0.088 ppm in 2015 and continued to decline to 0.087 ppm in 2016, as presented in the 2016

⁴ Since the submission of the 2007 AQMP, U.S. EPA determined it was no longer appropriate to include emissions from sources outside the nonattainment area in the RFP demonstration and revised its RFP policy to limit emission reductions to sources within the nonattainment area.

⁵ A design value is a statistic that describes the air quality status of a given area relative to the level and form of the NAAQS. For the 8-hour ozone standard, the design value is a 3-year average and takes into account the form of the short-term standard (i.e., 99th percentile).

AQMP. However, in 2017 and 2018, the State of California experienced a series of high ozone episodes due to unexpected changes in meteorology including warm and stagnant weather conditions, biogenic emissions, and/or anthropogenic emissions. As a result, the design values in 2017 and 2018 were higher than the previous years and increased to 0.088 ppm and 0.091 ppm respectively, (more detailed discussion in Chapter 2), indicating that additional time is needed to meet the standard.

As discussed previously, Coachella Valley is a Severe-15 nonattainment area for the 1997 8-hour ozone standard, with an attainment deadline of June 15, 2019. Because the attainment date is mid-year, the demonstration of attainment must take place by the previous calendar year, which is 2018. Within six months after the applicable attainment date, U.S. EPA is required to make a determination as to whether the area attained the standard by that date. If U.S. EPA determines that a nonattainment area has failed to attain the air quality standard by the applicable attainment date, the consequences for failure to attain are listed under CAA section 179(d) and CAA section 181 (b)(4), and are summarized below:

- All major stationary sources are required to pay a nonattainment fee (about \$10,000 per ton of VOC and NOx emissions per year) beginning the year after the attainment deadline;
- The threshold for both major sources and major stationary sources will be lowered from 25 tons per year to 10 tons per year for VOC and NOx;
- A revision to the State Implementation Plan within 1 year of U.S. EPA's notice of failure to attain;⁶ and
- The State Implementation Plan revision should meet the requirements of CAA section 110 and section 172, and include additional measures that may reasonably be prescribed for a nonattainment area.

Under CAA Subpart 2, section 182(a)(5), the U.S. EPA allows for a one year extension of the attainment date, if no more than one exceedance of the 1997 standard has occurred in the area in the preceding year. The standard was exceeded on four days in 2016, 15 days in 2017, and 13 days in 2018. This increase in exceedance days was not unique to the Coachella Valley. Similar increases in ozone concentrations occurred in the South Coast Air Basin and throughout California. Since more than one exceedance of the standard occurred in Coachella Valley, the one year attainment date extension is not available. Furthermore, based on the air quality trends in the Coachella Valley, a one year extension would not be a suitable amount of time to practically bring the Coachella Valley into attainment.

On the other hand, under Subpart 2, section 181(b)(2) of the CAA, the U.S. EPA may reclassify a nonattainment area to a higher classification if the area cannot practicably attain the NAAQS by the attainment date and the area voluntarily requests reclassification. Given that additional time is needed to bring the Coachella Valley into attainment of the 1997 8-hour ozone standard, staff is recommending that the South Coast AQMD formally request the U.S. EPA to reclassify the Coachella Valley as an Extreme nonattainment area for the 1997 8-hour ozone standard. This reclassification will provide an extension of

⁶ U.S. EPA staff has indicated that for the finding of failure to attain, a SIP revision is not required since the 1997 8hour ozone standard has been revoked; however, this remains unclear because of uncertainties related to revoked standards

the attainment date to make attainment feasible. Upon reclassification, the new attainment deadline for the Extreme nonattainment status will be June 1<u>59</u>, 2024.

This document outlines the action to request reclassification to an Extreme nonattainment area for the 1997 8-hour ozone standard in Coachella Valley. Chapter 2 of this document presents the air quality trends. Chapter 3 describes the voluntary reclassification request with potential implications for major stationary sources. The staff recommendation is presented in Chapter 4.

2. Air Quality Trends

The South Coast AQMD currently monitors Coachella Valley ozone concentrations at Indio and Palm Springs. The Palm Springs air monitoring station is located closer to the San Gorgonio Pass (also known as the Banning Pass), predominantly downwind of the densely populated South Coast Air Basin. The Indio station is located further east in the Coachella Valley, on the predominant downwind side of the main population areas of the Coachella Valley. Both of these sites routinely measure ozone, particulate matter with a diameter less than 10 micron (PM10), particulate matter with a diameter less than 2.5 micron (PM2.5), sulfates (from PM10), and several meteorological parameters. The Palm Springs station also measures carbon monoxide, and nitrogen dioxide. This chapter summarizes recent and historic ozone air pollution data collected in the Coachella Valley.

Factors that Influence Ozone Concentrations

Ozone (O3) is not emitted directly into the atmosphere; near-surface ozone, in contrast to stratospheric ozone, is formed by the reaction of volatile organic compounds (VOCs) with oxides of nitrogen (NOx) in the presence of sunlight. Figure 2-1 illustrates the processes influencing ozone concentrations in the Coachella Valley. NOx is generated from combustion processes whereas VOCs are emitted from a wide variety of sources such as consumer products, mobile sources, and vegetation. Wildfires generate both NOx and VOCs. However, the chemical reactions that form ozone are highly complex and depend not only on NOx and VOC levels, but also on the ratio of VOC to NOx concentrations, temperature, the amount of sunlight, and other meteorological conditions. NOx emissions can even reduce ozone concentrations in the immediate vicinity of an emission source, but will contribute to ozone formation downwind.



FIGURE 2-1

SCHEMATIC OF PROCESSES INFLUENCING OZONE CONCENTRATIONS IN THE COACHELLA VALLEY.

Atmospheric ozone in the Coachella Valley is both directly transported from the Basin and formed photochemically from precursors emitted upwind and within the Coachella Valley. The precursors are emitted in the greatest quantity in the coastal and central Los Angeles County areas of the South Coast

Air Basin (Basin). The Basin's prevailing sea breeze causes polluted air to be transported inland. As the air is being transported inland, ozone is formed, with peak concentrations occurring in the inland valleys of the Basin, extending from eastern San Fernando Valley through the San Gabriel Valley into the Riverside-San Bernardino area and the adjacent mountains. As the air is transported further inland into the Coachella Valley through the San Gorgonio Pass, ozone concentrations typically decrease due to dilution, although ozone standards can still be exceeded <u>—</u> wind speed and wind direction further influence ozone concentrations throughout the Coachella Valley.

Ozone concentrations are also heavily dependent on meteorological conditions. Concentrations in the Coachella Valley, and the number of days exceeding the federal ozone standards, are greatest in the late spring and summer months, with no exceedances during the winter. Ozone concentrations are a strong function of season for several reasons. The rate of reactions that produce ozone in the atmosphere proceeds faster at higher temperatures. In addition, elevated temperatures lead to increased ozone precursor concentrations by hastening the evaporation into the air of VOCs. Ozone concentrations are also dependent on sunlight intensity, which is stronger during the summer months. The stability of the atmosphere also influences ozone concentrations. Strong inversions inhibit mixing with the upper atmosphere, leading to elevated concentrations at the surface.

Ozone Monitoring Data

Several metrics are used to quantify progress towards attaining the ozone standards in the Coachella Valley. The number of days exceeding the 1997 8-hour ozone standard anywhere in the Coachella Valley is a basic, yet useful tool for assessing progress. This metric has decreased markedly over the past few decades. However, year-to-year variabilities are evident throughout the historical record. Figure 2-2 shows the trend in Coachella Valley ozone exceedance days for the 1979 1-hour standard and the 1997 8-hour standard. Note that the Coachella Valley attained the 1-hour standard in 2013.



FIGURE 2-2: TRENDS IN OZONE EXCEEDANCE DAYS IN THE COACHELLA VALLEY, 1990–2018 (*2018 data is preliminary AND SUBJECT TO CHANGE).

The Coachella Valley exceeded the 1997 standard on four days in 2016, 15 days in 2017, and 13 days in 2018. This increase in exceedance days was not unique to the area. Similar increases in ozone concentrations occurred in the South Coast Air Basin. Figure 2-3 shows the trend in ozone exceedance days in both the South Coast Air Basin and the Coachella Valley.



FIGURE 2-3: TRENDS IN OZONE EXCEEDANCE DAYS IN THE COACHELLA VALLEY AND THE SOUTH COAST AIR BASIN, 1990–2018 (*2018 data is preliminary and subject to change).

The similarity in the trends in ozone exceedances seen in Figure 2-3 are not unexpected due to typical transport patterns of ozone precursors and ozone from the South Coast Air Basin to the Coachella Valley. In addition, while there are differences in meteorological conditions between the two areas, regional meteorological trends influence conditions in both areas.

The Clean Air Act requires attainment of the ozone standard at the most ozone polluted monitoring station, which for the case of the Coachella Valley, is in Palm Springs. The 8-hour ozone design value is based on the 99th percentile highest value (4th highest daily maximum of 8-hour-average concentrations) in a year, averaged over a three-three-year period. Therefore the 4th highest 8-hour daily max value is a useful metric to assess yearly progress towards attainment of the standard. Figure 2-4 details the 8-hour daily maximum ozone concentrations at the Palm Springs and Indio monitoring stations during the ozone season⁷ for 2016, 2017, and 2018, which are the three years considered for ozone attainment by the 2019 deadline. The four highest values each year are indicated with filled circles, with the fourth highest value further notated with a black "X".

 $^{^{7}}$ The ozone season is defined as May 1 – September 30 by the U.S. EPA.



FIGURE 2-4: OZONE MONITORING DATA IN COACHELLA VALLEY FROM 2016-2018. FILLED CIRCLES INDICATE THE FOURTH HIGHEST VALUES IN A YEAR. A BLACK "X" INDICATES THE FOURTH HIGHEST VALUE. THE 1997 8-HOUR OZONE STANDARD IS SHOWN WITH A HORIZONTAL DASHED LINE.

The four highest ozone concentrations in 2016 occurred in four separate episodes. It is possible that the high values recorded on June 23rd and June 27th were influenced by the San Gabriel Complex Fire in Duarte, CA. It is also possible, but less likely, that the high value recorded on July 27th was influenced by the Sand Fire, burning east of the Santa Clarita Valley in northern Los Angeles County. A single multi-day ozone episode in 2017 is responsible for generating three of the four highest values recorded that year. It is possible, but unlikely due to the distances involved that high values recorded on June 17th and June 18th were influenced by emissions from the Lake Fire, which burned near Castaic Lake. The Mart Fire north of Highland may have influenced the elevated ozone concentrations measured on June 29th, 2017.

The U.S. EPA's Exceptional Events Rule allows air authorities to exclude monitoring data in calculating design values if the data was influenced by an event that is not reasonably controllable nor preventable. There must also be a clear causal relationship between the exceedance and the event. Under the Exceptional Events Rule, <u>the U.S. EPA may approve the exclusion of</u> ozone exceedances caused by wildfires <u>in calculating attainment status</u> be approved to be excluded by the U.S. EPA upon successful demonstration by states or local air districts. While there are some exceedances that may be smoke-influenced due to the presence of satellite-detected smoke and/or an active smoke advisory, even if the U.S. EPA approved all of these as exceptional events, the Coachella Valley would still fail to attain the 1997 8-Hour ozone standard.

The increase in ozone concentrations seen in 2017 in the Coachella Valley and the South Coast Air Basin were also seen throughout California (Figure 2-5) and the Western United States (Figure 2-6).



FIGURE 2-5: FOURTH HIGHEST DAILY MAXIMUM OZONE VALUES IN SEVERAL NEARBY CALIFORNIA AIR BASINS FROM 2008 TO 2017. 2018 DATA FOR AIR BASINS OUTSIDE OF THE SOUTH COAST AQMD JURISDICTION IS NOT YET AVAILABLE.



FIGURE 2-6: FOURTH HIGHEST 8-HOUR DAILY MAXIMUM OZONE VALUES AT THE MOST POLLUTED MONITORING SITE IN SEVERAL DESIGNATED AREAS IN WESTERN STATES FROM 2008 TO 20187.

South Coast AQMD staff and other researchers in the air quality and meteorology communities are still investigating the reasons for the increase in ozone concentrations starting in 2017 experienced throughout the Western United States. However, the fact that these increases were seen over wide areas can help explain the elevated ozone concentrations. Both unexpected changes in meteorology and/or emissions (e.g., biogenic, anthropogenic) can contribute to this unexpected increase. However, year-to-year increases in ozone are not uncommon in the historical record and one should be careful to not over-interpret temporary increases.

While local wildfires cannot explain all exceedances in the 2016-2018 period in the Coachella Valley, it is possible that wildfire emissions from distant fires could have influenced ozone concentrations throughout the West. 2017 and 2018 were particularly active wildfire seasons in California (Figure 2-7), with total acreage burned surpassing all years since 2008.



FIGURE 2-7: TOTAL ACRES BURNED BY YEAR WITHIN CALIFORNIA. DATA FROM THE NATIONAL INTERAGENCY FIRE CENTER.

Biogenic VOC emissions (those deriving from vegetation) may also exhibit large year-to-year variations. Vegetation is a large source of VOCs, especially during summer months. Vegetative growth is highly dependent on rainfall during the growing season, which exhibits significant year-to-year variations throughout California.

While it is difficult to measure anthropogenic emissions (emissions from human activity) of NOx and VOCs directly, emission inventory projections indicate that emissions from anthropogenic sources in the South Coast Air Basin have declined and will continue to decline (Figure 2-8). Emissions in the South Coast Air Basin are the primary contributor to ozone concentrations in the Coachella Valley.



FIGURE 2-8: EMISSION INVENTORY PROJECTIONS IN THE SOUTH COAST AIR BASIN.

Nitrogen dioxide (NO₂) concentration is measured hourly throughout the South Coast AQMD boundaries and can be used as a surrogate for NOx emissions. An analysis of monitoring data between 1990 and 2018 indicate that NO2 concentration have been reduced by over 60% and have continued to decline year-to-year since 1999 (Figure 2-9).



Figure 2-9: NO_2 concentrations at monitors in the South Coast Air Basin and the Coachella Valley. Only monitors with data in at least 75% of the years are included in this analysis.

Meteorology is also an important factor governing ozone concentrations. Year-to-year changes in meteorology can alter transport patterns, leading to changes in precursors and upwind ozone entering the Coachella Valley. Elevated temperatures and reduced atmospheric mixing can also contribute to additional ozone formation. In addition, the North American Monsoon, which can bring an increase in humidity and afternoon thunderstorms into the Coachella Valley between July and September can also affect ozone concentrations.

Ozone Attainment Status



Trends in the 8-hour ozone design value and the 1-hour ozone design value are plotted in Figure 2-10.

FIGURE 2-10

COACHELLA VALLEY 3-YEAR DESIGN VALUE TRENDS OF OZONE, 19920–20185 (THE YEAR PLOTTED IS THE END YEAR OF THE 3-YEAR DESIGN VALUE, *2018 DATA IS PRELIMINARY AND SUBJECT TO-CHANGE). While the Coachella Valley attains the former 1-hour federal ozone standard, the area exceeds the 8-hour NAAQS. In 2016, the 3-year design value (2014-2016) for the Coachella Valley was 0.087 ppm. The 2017 and 2018 design value increased to 0.088 ppm and 0.091 ppm, respectively. In each of these cases, the Palm Springs monitoring station had the highest design value, and therefore the Palm Springs measurement data reflects the design location for the Coachella Valley. The 2018 design value exceeds the 1997 8-hour standard. The standard is met if the design value is less than or equal to 0.084 ppm, due to rounding conventions associated with the 0.08 ppm standard.

In summary, the Coachella Valley has experienced a multi-decadal trend of steady ozone improvements over the years, however, additional improvements are needed to achieve the 8-hour ozone standard.

3. Request for Reclassification

The Coachella Valley is currently classified as a Severe ozone nonattainment area for the 1997 8-hour standard, with an attainment deadline of June 154, 2019. As previously described in Chapter 2 – Air Quality Trends, the monitoring data shows that the Coachella Valley will not achieve attainment by the attainment deadline and is not eligible to request for a one-year extension of the attainment date due to the number of exceedances in the prior year.

The CAA under section 181(b)(3) allows for a "voluntary reclassification" request by any State to reclassify to a higher classification for a nonattainment area in order to provide additional time to meet the standard. The voluntary request for reclassification to a higher classification is commonly referred to as a "bump up." Since additional time is needed to bring Coachella Valley into attainment of the 1997 8-hour ozone standard, staff is recommending requesting a voluntary reclassification from Severe to Extreme nonattainment.

Requirements upon Reclassification to an Extreme Nonattainment Area

After the bump-up request is submitted to the U.S. EPA and the U.S. EPA takes final action granting the reclassification request, a revision to the State Implementation Plan (SIP) is required. The new SIP revision will have to include an attainment demonstration with the pathway to attain the 1997 8-hour ozone NAAQS as expeditiously as practicable, but no later than the maximum attainment period set forth in CAA section 182, Table 1. Currently, the Severe classification of Coachella Valley allows for 15 years to reach attainment in 2019. With the approval of the bump-up request to Extreme, the attainment period will be extended to 20 years, or an additional 5 years from the Severe classification, to June 15, 2024. Therefore, upon reclassification to Extreme nonattainment status, the attainment date for Coachella Valley will be updated from June 15, 2019 to as expeditiously as practicable, but no later than June 15, 2024. The updated SIP for an Extreme nonattainment area will require the same elements as the previously developed SIP for a Severe nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainment area together with the requirements for an Extreme nonattainm

- Section 182(e) Definition of major sources and major stationary sources
- Section 182(e)(1) Offset requirement
- Section 182(e)(2) Modifications
- Section 182(e)(3) Use of clean fuels or advanced control technology
- Section 182(e)(4) Traffic control measures during heavy traffic hours
- Section 182(e)(5) New technologies
- Section 182(f) NOx Requirements

Each of these requirements is discussed below.

CAA Section 182(e) Requirements

Currently under the Severe nonattainment designation, the definition of major stationary sources includes facilities with the potential to emit (PTE)⁸ of 25 tons per year (tpy) of VOC and NOx or higher. Following reclassification to an Extreme nonattainment area, the threshold for major stationary sources will be lowered to include facilities with the PTE of 10 tpy of VOC and NOx or higher. This change makes the definition stricter and will cause additional facilities to be subject to requirements (major sources). The potential impacts on stationary sources are discussed later in this chapter. However, this change must also occur even if a "bump-up" is not requested.

CAA Section 182(e)(1) - Offset requirement

Section 182(e)(1) requires a modified offset ratio of 1.5 to 1 of total emission reductions of VOCs to total increased VOC emissions of each air pollutant (due to permit modifications), unless federal best available control technology (BACT) is required for all new or modified existing major sources. South Coast AQMD's regulations implement best available retrofit control technology (BARCT) which is the equivalent of federal BACT for major and non-major sources, and therefore an offset ratio of 1.2 to 1 is used for NSR offset requirements for all nonattainment criteria air contaminants (Rule 1303). South Coast AQMD's NSR rules already include these requirements for VOC and NOx sources.

CAA Section 182(e)(2) – Modifications

Section 182(e)(2) requires any increase of emissions at a major stationary source to be considered a modification. South Coast AQMD Regulation XIII requires any new or modified source that results in an emissions increase of any nonattainment air contaminant to be subject to NSR. Therefore, the modification requirement is already addressed in existing NSR rules and no additional action is needed upon reclassification.

CAA Section 182(e)(3) - Use of clean fuels or advanced control technology

Section 182(e)(3) requires each new, modified, and existing electric utility and industrial and commercial boiler that emits more than 25 tpy of NOx to burn a low polluting fuel or use advanced NOx control technology. Existing boilers are already subject to South Coast AQMD Rule 1146 (Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters) and Rule 1135 (Emissions of Oxides of Nitrogen from Electricity Generating Facilities), which require the use of South Coast AQMD's BARCT for existing equipment. Any new or modified sources with emission increases are also subject to California BACT (federal lowest achievable emission rate [LAER] for the case of major sources) requirements. As such, the implementation of existing California BARCT and BACT already require new, modified, and existing electric utility and industrial and commercial boilers to use advanced NOx control technology, and therefore, no additional action is needed upon reclassification.

⁸ "Potential to emit" is the maximum capacity of a stationary source to emit under its physical and operational design. Any physical or operational limitation on the source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation, or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is enforceable by the U.S. EPA.

CAA Section 182(e)(4) - Traffic control measures during heavy traffic hours

Section 182(e)(4) allows for control measure programs to reduce use of high polluting or heavy-duty vehicles during heavy traffic hours. These are not required measures and do not require any additional action upon reclassification.

CAA Section 182(e)(5) - New technologies

Section 182(e)(5) allows for Extreme nonattainment area attainment demonstrations to be based on the anticipated development of new technologies or improvement of existing control technologies. These long-term control measures are often referred to as "black box" measures and go beyond the short-term control measures that are based on known and demonstrated technologies. For Extreme nonattainment areas, the "black box" measures may be used as part of the attainment strategy. The ability to use 182(e)(5), however, ceases 3 years prior to the attainment date. Since Coachella Valley is only about 5 years from its new attainment date (June 2024), these long term measures might not be appropriate or needed for the attainment demonstration for the new Extreme area SIP.

CAA Section 182(f) – NOx requirements

Pursuant to Section 182(f), all provisions required for major stationary sources of VOC shall also apply to major stationary sources of NOx as defined in 182(e)(1), including the modified offset ratio. Since the offset requirement for an Extreme nonattainment area has already been incorporated into South Coast AQMD's existing NSR rules, there will not be any additional offset requirements due to reclassification of Coachella Valley to Extreme nonattainment.

Impacts on Major Stationary Sources

U.S. EPA defines a major source as a facility that emits, or has the potential to emit, any criteria pollutant or hazardous air pollutant at levels equal to or greater than the major source thresholds. As a Severe nonattainment area, the definition of a major stationary source in Coachella Valley includes facilities with a PTE of 25 tpy of VOC or NOx or higher. For the Extreme nonattainment reclassification in Coachella Valley, the major source thresholds will be lowered to 10 tpy or higher of VOC or NOx. Even if the South Coast AQMD were not to request a reclassification of Coachella Valley from Severe to Extreme and, consequentially, the U.S. EPA issued a finding of a failure to attain the standard, the lower major source thresholds would still apply.⁹ As such, under either scenario, a major source in Coachella Valley will include facilities with a PTE of 10 tpy or higher of VOC or NOx.

Following reclassification of Coachella Valley to an Extreme nonattainment area, Rule 3001 will need to be amended to lower the threshold for major stationary sources in Coachella Valley to include facilities with a PTE of 10 tpy or higher for VOC or NOx. This change will cause additional facilities to be subject to requirements for major sources. The threshold for major stationary source is also used to define applicability in the Title V Operating Permit program (Title V Program) and the New Source Review Program. As such, more facilities in Coachella Valley could be subject to the requirements under these programs. To assess the potential impact of the reclassification request, <u>staff conducted an preliminary</u> analysis was done to identify the facilities within the Coachella Valley with a VOC or NOx PTE between 10

⁹ Clean Air Act Section 181(b)(4)((B); 42 U.S.C. Section 7511(b)(4)(B).

and 25 tpy., and the results of the <u>preliminary</u> analysis are included in the sections below. <u>Based on the</u> <u>preliminary</u> analysis, <u>eighfivet</u> facilities were initially identified as potentially being impacted because of <u>change in major source threshold from 25 to 10 tpy</u>. However, further analysis conducted by South Coast <u>AQMD staff has indicated that only fourone existing facilityies will potentially be impacted as shown in <u>table 3-1</u>. The facility is Armtec Defense Prod. Co., located in Coachella, which may become a major source, or may choose to accepttake a permit limit to avoid becoming a major source.</u>

The South Coast AQMD staff <u>preliminary</u> analysis identified the following eight <u>four</u> stationary-source facilities, shown in Table 3-1 as potentially impacted by a change of the VOC and NOx major source threshold from 25 tpy to 10 tpy.

Facility Name	City
Imperial Irrigation District/Coachella *	Coachella
Sentinel Energy Center LLC*	North Palm Springs
Wildflower Energy LP/Indigo Gen., LLC*	North Palm Springs
Armtec Defense Prod. Co.	Coachella
Eisenhower Medical Center	Rancho Mirage
Palm Springs Aerial Tramway	Palm Springs
County of Riverside (IN702)	Indio
Desert Hospital	Palm Springs

TABLE 3-1 LIST OF POTENTIALLY IMPACTED FACILITIES IN COACHELLA VALLEY

* Existing South Coast AQMD Title V Permit Facility

Title V Program

The Title V permitting program was created in the 1990 amendments to the Clean Air Act to establish a national permit program to standardize air quality permits and the permitting process for major sources of emissions across the country. Title V only applies to "major sources." The South Coast AQMD adopted Regulation XXX – Title V Permits in 1993 to align the permitting requirements with the federal Title V permit program (approved by U.S. EPA on November 30, 2001). The current major source thresholds for the South Coast Air Basin (currently designated as Extreme nonattainment) and Coachella Valley within South Coast AQMD's jurisdiction are defined in Rule 3001, and are summarized in Table 3-1 below for VOC and NOX:

TABLE 3-<u>1</u>2:

Pollutant	South Coast Air Basin	Coachella Valley
VOC	10	25
NOx	10	25

MAJOR SOURCE PTE EMISSION THRESHOLDS (TONS PER YEAR)

Following approval of the reclassification, Rule 3001 will be amended to lower the major source thresholds from 25 tpy to 10 tpy for VOC and NOx in Coachella Valley.

Under the South Coast AQMD Title V Program, all facilities whose PTE10 is equal to or greater than the major source thresholds must comply with the Title V regulations unless they have <u>an</u> enforceable permit limit(s) keeping their actual emissions below the applicable major source threshold(s) or if they satisfy specific requirements for certain industries through Rule 3008. Title V does not include any new requirements for reducing emissions, but it does include a Title V permit that consolidates and subsumes all of the previously issued air permits for individual pieces of equipment at a major source facility into one Title V permit. It includes public noticing, U.S. EPA approvals, and enhanced monitoring recordkeeping, reporting, and compliance requirements.

South Coast AQMD currently exempts facilities from the Title V permitting requirements if they demonstrate that their actual emissions have been permanently reduced through accepting an enforceable permit condition(<u>s</u>) to limit the actual permitted and non-permitted emissions to levels less than the major source emission threshold. These facilities would still be required to comply with major source BACT (synonymous with U.S. EPA LAER). The South Coast AQMD exempts facilities from the Title V permitting requirements as well as the major source BACT if they demonstrate that their PTE has been permanently reduced by accepting an enforceable permit condition(<u>s</u>) to limit the PTE to levels less than the major source emission threshold.

New Source Review

New Source Review (NSR) is a preconstruction review program required under both federal and state statutes for new and modified stationary sources located in nonattainment areas for Clean Air Act standards. NSR applies to both individual permits and entire facilities.

The Federal NSR requirements are reflected in South Coast AQMD Regulation XIII - New Source Review. Among other requirements, Regulation XIII (New Source Review) requires applicants to use Best Available Control Technology (BACT, equivalent to federal LAER for the case of major sources) for new sources, relocated sources, and modifications to existing sources that may result in an emission increase of any

¹⁰ PTE is based on permit conditions that limit emissions or throughput. If there are no such permit conditions, PTE is based on the maximum rated capacity; and the maximum daily hours of operation; and physical characteristics of the materials processed.

nonattainment air contaminant. Major source facilities that are subject to NSR are required by the Clean Air Act to have the lowest achievable emission rate (LAER) under South Coast AQMD Reg XIII. LAER is determined through the BACT process at the time the permit is issued, with little regard for cost, and pursuant to U.S. EPA's LAER policy as to what is achieved in practice. For non-major source facilities, BACT will be determined in accordance with state law¹¹ at the time an application is deemed complete unless a more stringent rule requirement becomes applicable prior to permit issuance. For non-major facilities, BACT takes economic feasibility (cost-effectiveness, measured in terms of control costs per ton of air emissions reduced) into account. The BACT guidelines for major and non-major polluting facilities are listed separately¹². Given the potentially different BACT emission limits between a major source and a non-major source, the change in the major source threshold upon reclassification could affect the level of controls needed for facilities that trigger NSR requirements upon modification or installation, namely, the major source threshold, which requires implementing LAER, will be a potential to emit of 10 tpy of VOC or NOx. However, this will occur regardless of whether the area is reclassified or, instead, is declared to have failed to attain.

In addition, facilities with a net increase in emissions are required to offset the emission increase by use of Emission Reduction Credits (ERCs). Low emitting facilities (PTE < 4 tpy of VOC/NOx), as defined in Rule 1304 Table A, are exempt from the emission offset requirement. Instead, the South Coast AQMD maintains an internal bank that can be used to provide the required offsets. These offset requirements will not change as a result of reclassification.

Three existing facilities namely Imperial Irrigation District/Coachella, Sentinel Energy Center LLC, and Wildflower Energy LP/Indigo Gen., LLC will not be impacted by the "bump-up" to Extreme as they are already major sources under the Severe classification. <u>One facility may be potentially impacted</u>. <u>Palm Springs Aerial Tramway, County of Riverside, Desert Hospital, Armtec Defense Prod. Co. and Eisenhower Medical Center currently hasve actual emissions under 10 tpy of NOx or VOC, <u>but may have a potential to emit over of 10 tpy or higher or higher of of NOx or VOC and, thus, may become a major source</u>. Thisese facilit<u>yies</u> may decide to apply for permit changes to limit their actual and PTE emissions to below the major source thresholds to avoid Title V permit or major source BACT. All new stationary source facilities with over 10 tpy of NOx or VOC or any existing non-major facilities that become a major stationary source will be subject to the new requirements under the Extreme classification.</u>

¹¹ See Health & Safety Code 40440.11.

¹² See BACT Guidelines: http://www.aqmd.gov/home/permits/bact/guidelines.

4. Staff Recommendation

Considering the overall downward ozone trends in recent years notwithstanding 2017 and 2018, Coachella Valley is anticipated to attain the standard earlier than the attainment deadline of June 15, 2024 under an Extreme nonattainment classification. Therefore, apart from uncertainties in meteorology, the amount of emission reductions required for attainment in Coachella Valley is not as great as what is required upwind in the South Coast Air Basin. Existing regulations that are already implemented or will fully be implemented in the next few years will continue to reduce baseline emissions (business-as-usual situation with no new regulations) in future years. The reduced baseline emissions are expected to be sufficient to demonstrate attainment in 2024. In addition, South Coast AQMD has an aggressive NOx emission reduction strategy in the 2016 AQMP to attain the 1997 federal 8-hour ozone standard in South Coast Air Basin by 2023. Since the transport of ozone and its precursors from the South Coast Air Basin is the primary cause of the ozone air quality in Coachella Valley, the additional NOx strategies implemented in the South Coast Air Basin will also contribute to further improvement of ozone air quality in Coachella Valley. Therefore, attainment of the 1997 federal 8-hour ozone standard may occur earlier than June 15, 2024. While the federal ozone standard needs to be attained as expeditiously as possible, uncertainties in meteorological conditions and changes in emissions and chemistry as a possible consequence of changing climate cause greater challenges in attainment efforts and will be considered in the SIP revision to the extent possible. South Coast AQMD is currently conducting a study to evaluate the meteorological trends contributing to recent poor air quality in the South Coast Air Basin. The results from the study are expected to shed more light on the uncertainties associated with changing climate and their implications on air quality. The emissions inventory and numerical modeling platform developed for the 2016 AQMP will be utilized in the attainment demonstration. The new SIP will necessarily continue to rely on emission reductions to be achieved in the South Coast Air Basin.

Given that additional time is needed to bring the Coachella Valley into attainment of the 1997 8-hour ozone standard, staff is recommending formally requesting U.S. EPA reclassify the Coachella Valley as an Extreme nonattainment area for the 1997 8-hour ozone standard based on the monitoring data indicating attainment is not practicable by the current attainment date. The reclassification will provide the Coachella Valley the needed extension of the attainment date to make attainment feasible and alleviate the nonattainment fees imposed on major stationary sources. The reclassification request would have to be approved by the South Coast AQMD Governing Board and then be submitted to CARB for forwarding to U.S. EPA for their approval in their proposed actions on the attainment status of Coachella Valley for the 1997 8-Hour ozone standard. This action will necessitate the development of a new Extreme area SIP, including an attainment demonstration with an attainment deadline as early as practicable but no later than June 15, 2024. Furthermore, the reclassification will require South Coast AQMD rule amendments to lower major stationary source threshold for NOx and VOC from the 25 tpy to 10 tpy within 12 months after reclassification is final; however, this would also occur if reclassification is not requested. A full analysis for implementation of these requirements and the attainment demonstration will be included in a subsequent SIP submittal following U.S. EPA's final approval of the reclassification.

5. Public Process

Public outreach is was being conducted to notify interested parties regarding the Coachella Valley reclassification request for the 1997 8-hour oOzone standard. Notifications including newspaper postings, mass mailings, and email notifications are beingwere sent to all permitted facilities and interested parties in Coachella Valley. Additionally, staff will holdheld two public consultation meetings on Wednesday, May 1, 2019, in Coachella Valley, with representatives from the public, local communities, environmental groups, and local governments. Staff also gave a presentation to the Coachella Valley Association of Governments on May 9, 2019. Written comments on the reclassification request for Coachella Valley and associated staff report will bewere accepted until May 15, 2019. Two written-comment letters were received prior to the May 15, 2019 deadline. The comment letters and staff responses aResponse to the coachella Valley and staff report as incorporated into the staff report as — Appendixttachment BA. The South Coast AQMD Governing Board will consider approval of the reclassification request at its June 7, 2019, meeting.

Appendix A – Response to Comments

The following comments received during the two public consultation meetings are presented below along with staff's responses:

Public Consultation Meeting - Coachella Branch Library – May 1, 2019, 6:00 p.m.

Steven Hernandez, City of Coachella Mayor

Comment 1: Thank you for being here. How are the facilities in Coachella Valley performing in terms of emissions? What actions are taking place to curtail emissions in the South Coast Air Basin which are impacting Coachella Valley? There should be some consideration of economic impacts in the region due to the reclassification given the high unemployment rate in Riverside County. What can be done to address the higher cost of doing business in Coachella Valley given that most of the ozone pollution in Coachella Valley is transported from the South Coast Air Basin?

Response to Comment 1: Emissions from facilities continue to decrease in the South Coast Air Basin because of existing regulations. In addition, facilities' actual emissions are much lower than the levels allowed under their permit requirements. Existing mobile and stationary source regulations with future effective dates are expected to result in emission reductions that would benefit both the South Coast Air Basin and Coachella Valley and would help Coachella Valley meet the 1997 8-hour ozone standard.

The threshold for major stationary sources in Coachella Valley will be lowered from 25 tons per year to 10 tons per year for VOC and NOx regardless of whether the Coachella Valley reclassifies to Extreme nonattainment with the 1997 8- hour ozone standard or if it remains as a Severe nonattainment and the U.S. EPA issues a finding of failure to attain. So, the potential economic impacts associated with the change in major source threshold will be the same. The South Coast AQMD staff has identified one existing stationary source facility that may be impacted by this change in major source threshold. New facilities in Coachella Valley will also be subject to the new major source threshold. Facilities would still have the option to apply for permit conditions that limit their actual and potential to emit (PTE) emissions to below the major source thresholds to avoid a Title V permit or major source BACT requirements. South Coast AQMD staff will work with facilities and present options available to any facility that is potentially a major stationary source to minimize potential impacts. Further, the reclassification to Extreme nonattainment avoids the imposition of a nonattainment penalty fee that would otherwise be imposed upon all major stationary sources.

Rebecca Zaragoza, Senior Policy Advocate for Leadership Counsel for Justice and Accountability

Comment 2: Thank you for coming to the community to make this presentation and for reaching out personally to community organizations. Focusing on achieving emission reductions in the South Coast Air Basin to improve air quality in Coachella Valley ignores the community demands for local emission reductions. There should be more focus on local mitigation measures and these efforts should be prioritized. The Eastern Coachella Valley should be selected as an AB 617 community in order to implement additional local air quality monitoring and establish an emission reduction plan.

Response to Comment 2: The South Coast AQMD acknowledges and appreciates your comment. The particular ozone air quality issue in Coachella Valley is one where upwind emission reductions from South Coast Air Basin will be most effective in reducing ozone levels. South Coast AQMD staff is aware of local

issues in the Coachella Valley and will continue to work to address these issues and reduce emissions in Coachella Valley. AB 617 is a statewide program that selects specific disadvantaged communities for focused efforts to achieve emission reductions. Eastern Coachella Valley has received strong community support and thus is under serious consideration to be nominated as an AB 617 community in this coming year. The AB 617 process will be happening in parallel with the reclassification process and there will be opportunities to engage with the South Coast AQMD over the next several months regarding local sources of air pollution.

Luis Olmedo, Comite Civico Del Valle

Comment 3: Thank you for having these two meetings. As the deadline for the prior SIP will not be met, does this bring opportunity for the community to include local priorities in a revised SIP? This is an unusually expedited timeline for this process. How will priorities be addressed in this timeline? The Mecca Community is impacted by Colmac Energy Inc. Is this facility included as part of the emission inventory? What can be done about the facility's impact on the Mecca community?

Response to Comment 3: South Coast AQMD staff acknowledges that this is an expedited process which was prompted by the U.S. EPA's strict interpretation of the Clean Air Act requirements regarding its approval of a reclassification request prior to the attainment deadline of June 15, 2019. The implications are very similar for a reclassification of the Coachella Valley to an Extreme nonattainment area and for the U.S. EPA's issuance of a finding of failure to attain the 1997 8-hour ozone standard. If a finding of failure to attain the standard is issued by the U.S. EPA, an additional consequence will be that all major stationary sources will be required to pay a nonattainment penalty fee (about \$10,000 per ton of VOC and NOx emissions per year) beginning the year after the attainment deadline. Three existing facilities (Imperial Irrigation District/Coachella, Sentinel Energy Center LLC, and Wildflower Energy LP/Indigo Gen., LLC) are already major sources and one additional facility (Armtec Defense Prod. Co.) may become a major source upon amendment of NSR rules as required after the U.S. EPA issues a finding of failure to attain or approves the reclassification.

Once the reclassification is granted by the U.S. EPA, the South Coast AQMD will have 12 months from the effective date of reclassification to submit a revision to the State Implementation Plan (SIP) in order to meet the new attainment deadline of June 15, 2024 as expeditiously as possible. Revision to the SIP will be made through a public process and the South Coast AQMD welcomes engagement and collaboration in the development of this revision. During the SIP revision process, the South Coast AQMD staff will address how much reductions will be needed, where the emission reductions will come from, when the reductions will occur, and how they will be achieved. There may be additional opportunities to address local priorities if Eastern Coachella Valley is selected as an AB 617 community.

Colmac Energy, Inc. is a biomass-fueled power plant located on tribal land which is under U.S. EPA's jurisdiction. The facility operates under a Title V permit issued by the U.S. EPA and is subject to the U.S. EPA regulations. The facility is not under South Coast AQMD's jurisdiction and is not subject to South Coast AQMD regulations. The South Coast AQMD does have an enforcement agreement with the U.S. EPA allowing the South Coast AQMD to enforce federal regulations. South Coast AQMD staff has conducted joint inspections of the facility with the U.S. EPA and has not issued any violations to the facility. Even though the South Coast AQMD has limited control over this facility, its emissions are accounted for in our planning processes. The facility's Title V permit is up for renewal every five years. During the renewal

process, the Title V permit is released for public comment. Additional information about the facility may be found on the U.S. EPA's website or though contacting the U.S. EPA directly.

Humberto Lugo, Comite Civico Del Valle

Comment 4: We have never been in attainment for ozone in the Coachella Valley and now we may be reclassified to an Extreme Area. The reclassification is prolonging the poisoning of the Coachella Valley community. Coachella Valley continues to develop so what are the plans for the facilities that will develop by 2024? The South Coast AQMD should work collaboratively with local agencies and community groups to protect communities. What safeguards can be placed for protection of the communities? The area should move towards zero emission technologies in warehousing and in goods movement. How can we get to attainment by 2024?

Response to Comment 4: South Coast AQMD staff appreciates your comments. However, the comment that the Coachella Valley has never been in attainment for ozone standards is incorrect. On December 13, 2013, the Coachella Valley was designated as being in attainment with the 1979 1-hour ozone standard. The majority of emissions contributing towards nonattainment of the 1997 8-hour ozone standard in Coachella Valley and South Coast Air Basin come from activities associated with the transportation of people and goods. Reductions in these mobile source sectors are challenging for the South Coast AQMD because they are regulated by state and federal agencies with South Coast AQMD having limited authority over these sources. Nevertheless, the South Coast AQMD has been implementing programs over the last 20 years that offer financial incentives for cleaner mobile source technologies including near-zero and zero emission technologies. South Coast AQMD staff is also working to develop indirect source rules, applicable to facilities that attract mobile sources, in order to expedite the transition to near-zero or zero emission technologies. Additionally, CARB has an existing regulation that requires all existing heavy duty trucks to meet the 2010 engine standard by 2023, which should provide substantial reductions by then. Based on current modeling, South Coast AQMD staff anticipates that the Coachella Valley should attain the standard on or before the June 15, 2024 attainment date.

Once the reclassification is granted, the South Coast AQMD will have 12 months from the effective date of reclassification to submit a revision to the SIP in order to meet the new attainment deadline of June 15, 2024 as expeditiously as possible. The SIP will be revised through a public process and the South Coast AQMD welcomes engagement and collaboration in the development of this SIP revision, which will also consider future growth. The South Coast AQMD will use air quality modeling to project anticipated air quality improvements in the Coachella Valley associated with implementation of future emission reductions.

Joey Acuna, Jr., Board President of the Coachella Valley Unified School District

Comment 5: Thank you for coming out. The South Coast AQMD was aware that attainment would not be achieved in advance of this month, but did not present this information until directly before the attainment deadline. The community now has no options, but to go through an expedited process to prolong exposure. South Coast AQMD plans have not come to fruition. It is hoped that, in the future, more advance notice will be provided and that implementation can move faster. Coachella Valley is quickly developing and punishing a local hospital is not going to help anyone. Coachella Valley has high unemployment and low income jobs. The residents will have to choose between clean air or jobs; they will have to choose if they want to breathe or eat.

Response to Comment 5: South Coast AQMD staff acknowledges your concerns and the challenge an expedited schedule to request a reclassification presents. Based on the U.S. EPA's guidance, the demonstration of attainment for the 1997 8-hour ozone standard is based on the air quality monitoring data for ozone over the last three years prior to attainment deadline of June 2019 (i.e., 2016, 2017, and 2018). The air monitoring data for 2018 had to go through a quality assurance process and was not finalized until several months after the end of the year. This is a standard procedure by air districts and, for this reason, the U.S. EPA has traditionally allowed air districts an extended timeline for submitting reclassification requests. However, in this instance, the U.S. EPA has insisted that a request for reclassification of Coachella Valley must be submitted by South Coast AQMD and approved by U.S. EPA before the June 15, 2019 attainment deadline. U.S. EPA has further advised that they would issue a finding of failure to attain the standard by December 15, 2019 if they have not approved our request before the June 15, 2019 date, which would trigger the imposition of nonattainment penalty fees. South Coast AQMD is acting expeditiously to avoid this consequence.

Once the reclassification is granted, the South Coast AQMD will have 12 months from the effective date of reclassification to develop and submit a SIP revision to demonstrate attainment of the 1997 8-hour ozone standard on or before June 15, 2024. The South Coast AQMD welcomes engagement and collaboration in the development of this SIP revision, which will be developed through a public process. As an environmental regulatory agency, the South Coast AQMD is always cognizant of economic growth when considering air quality measures. Over the last couple of decades, emissions have dropped dramatically due to planning and implementation of regulations by South Coast AQMD and CARB. Air guality improvements have continued despite a growth in population, vehicles, and the economy. These improvements have been possible because of cleaner growth with cleaner vehicles, buildings, and facilities.

The major stationary source threshold will change regardless of whether the Coachella Valley reclassifies to an Extreme Area for nonattainment with the 1997 8-hour ozone standard or if it remains as a Severe Area and the U.S. EPA issues a finding of failure to attain. If the Coachella Valley is reclassified to an Extreme area, the South Coast AQMD will continue to work towards reaching attainment of the standard as expeditiously as possible.

Luis Olmedo

<u>Comment 6: Exposure will continue until attainment is achieved. Immediate investments in local projects</u> and strategies to improve air quality can limit exposure and provide justice locally.

<u>Response to Comment 6: The South Coast AQMD will assist in identifying possible funding for any project</u> proposals with potential for early and effective emission reductions. AB 617 may be another avenue to <u>obtain funding for local projects.</u>

Manuel Arredoalo, Member of Environmental Justice

Comment 7: Thank you for being here. To reduce the fugitive emissions of PM locally, the roads around mobile home parks in Coachella Valley should be paved. Local projects of relatively minimal value can bring significant relief to residents. The South Coast AQMD should collaborate with other agencies, community groups, and stakeholders to work towards attainment. The South Coast AQMD should better

promote clean air achievements and what is needed to attain the standards. It is necessary for everyone to work together towards attainment.

Response to Comment 7: South Coast AQMD staff acknowledges your comment and will continue with collaborative efforts towards attainment of all standards. The CARB and the South Coast AQMD will soon begin the process of selecting new AB 617 communities and the South Coast AQMD encourages these types of comments and engagement regarding the possible selection of Eastern Coachella Valley.

Joey Acuna, Jr., Board President of the Coachella Valley Unified School District

<u>Comment 8: The school district is willing to continue to partner with South Coast AQMD and is available</u> to be a conduit to the community. Notices can be provided to parents and the school sites can be available for community meetings.

<u>Response to Comment 8: South Coast AQMD appreciates the ongoing support of Coachella Valley Unified</u> <u>School District and looks forward to continuing to work collaboratively.</u>

Humberto Lugo, Comite Civico Del Valle

<u>Comment 9: The South Coast AQMD should look at SB 1000 and work collaboratively with counties.</u> <u>Comite Civico Del Valle is also available to support the South Coast AQMD.</u>

Response to Comment 9: The South Coast AQMD appreciates the ongoing collaboration with Comite Civico Del Valle. South Coast AQMD staff acknowledges your comment and will continue to create partnerships in working towards improving air quality. It should be noted that CARB has published a free air quality and land use handbook to assist local planning agencies in making wise decisions regarding the establishment of land use requirements.

Public Consultation Meeting - Palm Desert Civic Center – May 1, 2019, 2:00 p.m.

Alex Matthews, Desert Cremation Society

<u>Comment 1: Operational efficiencies being implemented in cremation processes increase energy</u> <u>efficiency and reduce emissions.</u>

<u>Response to Comment 1: Thank you for your comment. We will work with your industry regarding future</u> <u>permitting requirements.</u>

Scott McCabe, Director of Facilities for Eisenhower Health

Comment 2: When would facilities be subject to the Title V requirements?

Response to Comment 2: The reclassification to Extreme nonattainment will require South Coast AQMD rule amendments to lower the major stationary source threshold for NOx and VOC from the 25 tpy to 10 tpy within 12 months after the reclassification is approved by U.S. EPA. Stationary sources in Coachella Valley with a potential to emit equal to or greater than 10 tpy of NOx and VOC would be subject to the applicable requirements for major stationary sources in Title V permitting. Facilities will have the option to voluntarily take an emissions cap under 10 tpy to avoid being subject to Title V requirements. South

<u>Coast AQMD staff will work with the affected facilities to determine baseline emissions and options</u> <u>available.</u>

Katie Barrows, Director of Environmental Resources for Coachella Valley Association of Governments

<u>Comment 3: Coachella Valley Association of Governments (CVAG) has requested and is looking forward</u> to a presentation by South Coast AQMD staff on the Coachella Valley reclassification at the upcoming <u>Energy and Environmental Resources Committee meeting on Thursday, May 9, 2019.</u>

<u>Response to Comment 3: Staff is happy to give a presentation at the upcoming CVAG meeting and is</u> grateful for the opportunity.

Dan McGivney, Environmental Affairs Program Manager for Southern California Gas

Comment 4: Do Rules 1100's apply in Coachella Valley?

Response to Comment 4: Yes, the South Coast AQMD Regulation XI (Rules 1100's) apply in Coachella Valley.

Speaker Not Identified

<u>Comment 5: For the upcoming SIP update, would that include the same measures as the Air Quality</u> <u>Management Plan? Will there be any additional measures needed for attainment in Coachella Valley?</u>

Response to Comment 5: South Coast AQMD has an aggressive NOx emission reduction strategy in the 2016 AQMP to attain the 1997 federal 8-hour ozone standard in South Coast Air Basin by 2023. Since the transport of ozone and its precursors from the South Coast Air Basin is the primary cause of the ozone air quality in Coachella Valley, the additional NOx strategies implemented in the South Coast Air Basin will contribute to further improvement of ozone air quality in Coachella Valley. Any potential additional measures in Coachella Valley will be further evaluated and determined during the development of the SIP update.

Speaker Not Identified

<u>Comment 6: What happens in five years if the Coachella Valley does not meet the standard and a finding</u> <u>of failure to attain is issued? What would be the consequences?</u>

Response to Comment 6: Considering the overall downward ozone trends in recent years, notwithstanding 2017 and 2018, Coachella Valley is anticipated to attain the standard earlier than the attainment deadline of June 15, 2024 under an Extreme nonattainment classification. Existing regulations that are already implemented or will fully be implemented in the next few years will continue to reduce baseline emissions in future years. Although not anticipated, if the U.S. EPA finds that the area failed to attain, due to failure to implement its approved plan, then the region could be subject to potential federal sanctions such as loss of transportation funding, increased offset ratios (for new facilities and expansion of existing facilities) and a federal implementation plan. Also, the major source penalty fees would apply.

Jayne Powell, Environmental Manager for Granite Construction Company

<u>Comment 7: If emissions are being transported from the South Coast Air Basin, is the additional traffic</u> <u>expected in Coachella contributing to emissions?</u> Response to Comment 7: Except for 2017 and 2018, the overall ozone trends have been decreasing in Coachella Valley mainly because of upwind emission reductions in South Coast Air Basin with smaller contributions from local sources in Coachella Valley. Existing regulations that are already implemented or will fully be implemented in the next few years will continue to reduce emissions in future years. The anticipated emission reductions already take into consideration growth in the transportation sector. Therefore, apart from uncertainties in meteorology, the Coachella Valley is anticipated to attain the standard on or before the new attainment deadline.

Speaker Not Identified

Comment 8: How will federal financing be affected by non-attainment?

Response to Comment 8: If the U.S. EPA finds that the area failed to attain, due to failure to implement its approved plan, then sanctions can be imposed, such as federal highway project awards or grants can be prohibited or U.S. EPA can develop a federal implementation plan for the area.

Luis Olmedo, Comite Civico Del Valle

<u>Comment 9: Both the South Coast Air Basin and Coachella Valley should be treated equally with the</u> <u>same regulations including BACT requirements.</u>

Response to Comment 9: If the voluntary reclassification for Coachella Valley is submitted and approved by the U.S. EPA, the threshold for major stationary sources will be lowered from 25 tons per year to 10 tons per year for VOC and NOx, which will be the same threshold that is currently in effect in the South Coast Air Basin.

Speaker Not Identified

Comment 10: Is there any concern that transportation funds will be held?

Response to Comment 10: If the U.S. EPA finds that the area failed to attain, due to failure to implement its approved plan, then sanctions can be imposed, such as federal highway project awards or grants can be prohibited. However, the CAA allows for the voluntary reclassification request to reclassify to a higher classification for a nonattainment area in order to provide additional time to meet the standard. If the South Coast AQMD requests a reclassification of Coachella Valley from Severe to Extreme and we submit an approvable plan within 12 months, then transportation funds will not be withheld.

Juan Bautista, Program Manager for Alianza Coachella Valley

Comment 11: Does South Coast AQMD have a plan?

Response to Comment 11: The voluntary reclassification request will necessitate the development of a new Extreme Area SIP, including an attainment demonstration within 1 year of the reclassification approval.

The following written comments were submitted during the open comment period. Staff responses are presented below:

Comment Letter from Greater Coachella Valley Chamber of Commerce (Comment Letter #1)

From: Patrick Swarthout <<u>advocacy@gcvcc.org</u>> Date: April 26, 2019 at 4:48:42 PM PDT To: Nydia Ibarra <<u>nibarra@aqmd.gov</u>> Subject: Re: Coachella Valley Meetings-South Coast AQMD

Sorry I just fixed my voicemail not sure why it was full. I did receive the invite and the Chamber support the additional time to comply with attainment. The Chambers concerns relates to how this could affect permitting or increase fees.

Comment 1

If you have any input on this please let me know.

Thanks Patrick

Response to Comment 1: Thank you for your comments. The threshold for major stationary sources in Coachella Valley will be lowered from 25 tons per year to 10 tons per year for VOC and NOx regardless of whether the Coachella Valley reclassifies to Extreme nonattainment with the 1997 8- hour ozone standard or if it remains as a Severe nonattainment area and the U.S. EPA issues a finding of failure to attain. So, the potential economic impacts associated with the change in major source threshold will be the same. The South Coast AQMD staff has preliminarily identified one existing stationary source facility that may be impacted by this change in major source threshold. New facilities in Coachella Valley will also be subject to the new major source threshold. Facilities would still have the option to apply for permit conditions that limit their actual and potential to emit (PTE) emissions to below the major source thresholds to avoid a Title V permit or major source BACT requirements. South Coast AQMD staff will work with facilities and present options available to any facility that is potentially a major stationary source to minimize potential impacts. Further, the reclassification to Extreme nonattainment avoids the imposition of a nonattainment penalty fee that would otherwise be imposed upon all major stationary sources.

Comment Letter from Leadership Counsel for Justice and Accountability (Comment Letter #2)



May 15, 2019

Kelly Trainor Gamino Air Quality Specialist South Coast Air Quality Management District 21865 Copley Dr. Diamond Bar, CA 91765

RE: Reclassification of Coachella Valley for the 1997 8-Hour Ozone Standard

Dear Ms. Kelly Trainor Gamino,

Leadership Counsel for Justice and Accountability submits the following comments in response to the South Coast Air Quality Management District's (District) voluntary reclassification request for the Coachella Valley to be an extreme nonattainment area for the 1997 8-hour ozone national ambient air quality standard. We welcome the opportunity to work with Coachella Valley residents and the Air District to address high levels of ozone and to and prioritize and protect public health. In particular, we look forward to working with the District to develop an action oriented and enforceable State Improvement Plan as required by the reclassification request.

We have a history of working in direct partnership with residents around air quality in the Eastern Coachella Valley, and in recent comments, particularly concerning the Community Air Protection Program, we have highlighted community concerns regarding the District's presence and action steps to improve air quality and make the Eastern Coachella Valley a healthier and safer place to live in.

While the District maintains it needs more time to reach attainment for the 8-Hour Ozone Standard in the Coachella Valley, it is clear that the District is falling incredibly behind in addressing the air quality issues in the region, rendering the Eastern Coachella Valley communities the most vulnerable to pollution impacts and repercussions. It is also our understanding, that the District plans on reducing ozone levels within the South Coast Air Basin as a primary solution. On one hand, the reclassification request itself further illuminates the District's history of inaction in the region, and secondly, the direction that's being followed does not provide meaningful assistance to the communities that are suffering from pollution that's Comment 1

Comment

to. Comment

In the Draft Staff Report on the "Request for Reclassification of Coachella Valley for the 1997 8-Hour Ozone Standard," District staff details the current air monitoring stations that exist throughout the Coachella Valley on page 2-1. As stated, there are only two monitors that measure ozone: one in Palm Springs and the other in Indio. The existing air monitoring stations in the Coachella Valley are insufficient and would require an expanded regulatory system to identify the impact in other areas of the Valley. While the staff report notes some efforts including meteorological studies and measures in air quality management plans, it fails to disclose what actions will be taken to reach attainment levels in its request to the U.S. Environmental Protection Agency. It is crucial for the District to provide concrete and detailed plans that answer the following questions as part of the reclassification request:

- What regulatory measures will be taken to ensure that the Coachella Valley reaches attainment in 2024 as part of the State Improvement Plan (SIP)?
- How will the District respond to climate change threats, events, and potential opportunities in order to stay on track for their 2024 timeline?
- How will the District increase collaboration with impacted communities, U.S. EPA, California Air Resources Board and Tribal Governments to ensure that community and tribal members residing in the Coachella Valley are engaged in the development of the SIP?

The Draft Staff Report also states that the SIP would be based on existing and planned regulations and would not include specific regulations for local sources in the Coachella Valley. This action would further perpetuate lack of attention and fail to address all stationary and mobile sources that contribute to high ozone levels in the Coachella Valley. To date, staff has failed to provide detailed information as to why the required SIP would not include development of new regulations for stationary and mobile sources specific to the Coachella Valley. To fully address and mitigate high levels of ozone and other air quality impacts the required SIP must go beyond existing regulations and be inclusive of expanded and new stationary and mobile source regulations in the Coachella Valley. To do this effectively, the District must expand its limited regulatory air monitoring network, which as already mentioned, consists of only two monitors.

Additionally, we would like to see an enhanced public outreach and participation process on behalf of the District, especially as it seeks to develop the SIP. The communities that we work with in the Eastern Coachella Valley do not rely on email or newspaper ads to learn about community meetings or events. The District must hold meetings at accessible locations and at times that are convenient for working families in the Coachella Valley. More accessible locations Comment 4

Comment

3

Comment 5

Comment 6 for public meetings in the ECV include, the Desert Mirage High School Complex in Thermal, the Mecca Library, the Mecca Boys and Girls Club, the North Shore Beach and Yacht Club, and the San Jose Community Center in Oasis. It is also important to provide materials related to this matter in accessible formats to allow for meaningful review and input by community residents. The District must take steps to ensure more robust outreach as an agency and not solely rely on community organizations. A robust public participation process would ensure meaningful input and must be prioritized given public health impacts as a result of poor air quality in the region.



Comment

7

. . . .

Thank you for the opportunity to provide comments. We reiterate our request that the District include detailed actions it will take to reach attainment status in its request for reclassification, ensure a robust public process and request that the SIP is inclusive of new and expanded regulations for local sources in the Coachella Valley. We look forward to working together to improve air quality and public health in the region. For questions or concerns, please do not hesitate to contact Rebecca Zaragoza at rzaragoza@leadershipcounsel.org or call (442) 400-3357.

Sincerely,

Rebecca Zaragoza Senior Policy Advocate Leadership Counsel for Justice and Accountability

Response to Comment 1: The South Coast AQMD appreciates the submitted comments and acknowledges the Leadership Counsel efforts and involvement in community concerns including the reclassification request for the Coachella Valley to be an extreme nonattainment area for the 1997 8-hour ozone national ambient air quality standard.

Response to Comment 2: Over the past few decades, the ozone levels in the Coachella Valley have steadily decreased largely due to the implementation of emission control measures by the South Coast AQMD and CARB, with the exception of 2017 and 2018, when higher ozone levels were experienced throughout the State of California due to warm and stagnant weather conditions. The continued implementation of existing regulations is expected to help achieve the ozone standard in Coachella Valley on or before the June 15, 2024 attainment date. Because the ozone levels in the Coachella Valley are primarily due to NOx, VOC and ozone being transported from the South Coast Air Basin, reducing these upwind emissions will be the most effective strategy in reducing Coachella Valley ozone levels. South Coast AQMD staff is also aware of local air quality issues in the Coachella Valley and will continue to work to address these issues. AB 617 is a statewide program that selects specific disadvantaged communities for focused efforts to achieve emission reductions. Eastern Coachella Valley has received strong community support and thus is under serious consideration to be nominated as an AB 617 community in this coming year. The AB 617 process will be happening in parallel with the reclassification process and there will be opportunities to engage with the South Coast AQMD over the next several months regarding local sources of air pollution.

Response to Comment 3: Although chapter 2 of this draft staff report identifies the types of monitoring data collected at the South Coast AQMD's monitoring stations in Indio and Palm Springs, these are not the only monitoring stations that exist in the Coachella Valley. The South Coast AQMD operates and maintains a monitoring station in Mecca that routinely measures particulate matter with a diameter less than 10 microns (PM10) and several meteorological parameters. The Torres-Martinez Cahuilla Indians tribe, in collaboration with South Coast AQMD, operates and maintains a monitoring station on tribal land in Mecca that routinely measures and maintains a monitoring station on tribal land in Mecca that routinely measures hydrogen sulfide (H2S), particulate matter with a diameter less than 2.5 microns (PM2.5), and several meteorological parameters. Additionally, the National Park Service operates and maintains a monitoring station in Monument that routinely measures ozone, PM2.5, and several meteorological parameters and maintains a monitoring station in Monument that routinely measures ozone, PM2.5, and several meteorological parameters. North Shore that routinely measures PM10, PM2.5, and several meteorological parameters.

The South Coast AQMD has also performed the following short to mid-term monitoring projects in the Coachella Valley:

- Continuous PM2.5 Monitoring at Competitive Power Ventures Sentinel
- Cal Biomass
- Agricultural Burning Tests
- Mecca Fire (2015)
- Numerous Torres Martinez Fires (2017 Reported Trash Fires)
- Western Environmental (2011 Odor Complaint)
- Coachella Valley Supplemental Meteorological Network
- College of the Desert PM10 and Meteorological Measurements
- Coachella Valley Salton Sea H2S Monitoring and Alert System

<u>There will be additional opportunities to address local priorities for monitoring if Eastern Coachella Valley</u> <u>is selected as an AB 617 community.</u>

The Indio and Palm Springs monitoring stations are the only South Coast AQMD maintained and operated sites in Coachella Valley that measure ozone concentrations. Monitoring stations are situated to capture the maximum expected concentrations of criteria pollutants. In conjunction with air quality modeling, the ozone concentrations from these two sites are used to demonstrate the status of attainment with the 1997 8-hour ozone standard in Coachella Valley. The ambient air monitoring network undergoes an assessment every five years to identify the need for additional air monitoring sites in underrepresented areas and removal in areas where sites are redundant. Although there are no current plans for the development of new monitoring stations in the Coachella Valley, we have noted your comment for future consideration.

Response to Comment 4: Once the reclassification for Coachella Valley is granted by the U.S. EPA, the South Coast AQMD will have 12 months from the effective date of reclassification to submit a revision to the State Implementation Plan (SIP) in order to meet the new attainment deadline of June 15, 2024 as expeditiously as possible. The SIP will be revised through a public process and the South Coast AQMD welcomes engagement of the public and all stakeholders and collaboration in the development of this

plan revision. During the SIP revision process, the South Coast AQMD staff will address how much reductions will be needed, where the emission reductions will come from, when the reductions will occur, and how they will be implemented. Based on current modeling, South Coast AQMD staff anticipates that the Coachella Valley should attain the standard on or before the June 15, 2024 attainment date with the implementation of existing regulations with future compliance dates. Also, South Coast AQMD is currently conducting a study to evaluate the meteorological trends contributing to recent poor air quality in the South Coast Air Basin. The results from the study are expected to shed more light on the uncertainties associated with changing climate and their implications on air quality.

Response to Comment 5: South Coast AQMD has an aggressive NOx emission reduction strategy in the 2016 AQMP to attain the 1997 federal 8-hour ozone standard in South Coast Air Basin by 2023. Since the transport of ozone and its precursors from the South Coast Air Basin is the primary cause of the ozone air quality in Coachella Valley, continued implementation of NOx strategies implemented in the South Coast Air Basin will contribute to further improvement of ozone levels in Coachella Valley. Moreover, it is likely that any new feasible measures to reduce ozone precursors in the Coachella Valley would also be applicable in the South Coast Air Basin. Any potential local measures in Coachella Valley will be further evaluated during the development of the SIP update. Please see response to comment 3 regarding air monitoring network.

Response to Comment 6: The South Coast AQMD emailed public notifications to over 48,000 residents of Coachella Valley and nearly 900 subscribers and interested parties, mailed public notifications to 1,039 facilities in Coachella Valley, performed outreach to media outlets, and posted information on South Coast AQMD social media. The South Coast AQMD held two public consultation meetings on Wednesday, May 1, 2019 at 2:00 p.m., in Palm Desert, at the Palm Desert Civic Center Council Chamber, and at 6:00 p.m., in Coachella, at the Coachella Branch Library. These public consultation meetings were attended by representatives from the public, local communities, environmental groups, and local governments. Additionally, the South Coast AQMD held private briefings for community organizations, local South Coast AQMD governing board members, local government staff, and legislative staff. South Coast AQMD staff is exploring additional avenues to enhance the public outreach for future community events and welcomes your suggestions as to how we can improve outreach.

Two public consultation meetings were held at different locations and times in order to increase community outreach and accessibility for these meetings. South Coast AQMD staff considered the Desert Mirage High School Complex, the Mecca Library, the Mecca Boys and Girls Club, and the North Shore Beach and Yacht Club as possible venues for these public meetings. The availability, accommodations, resources, amenities, room capacity, security, cost, and schedules of expected meeting participants were considered when selecting the venues and times for these public consultation meetings. The Palm Desert Civic Center Council Chamber at 2:00 p.m. and the Coachella Branch Library at 6:00 p.m. were determined to be the best options for these public consultation meetings. The San Jose Community Center was not considered, but may be considered for future meetings. The suggested meeting locations may also be considered for possible meetings during the process of developing recommendations for Year 2 AB617 communities.

In support of this request for reclassification, South Coast AQMD staff made the following relevant materials publically available on South Coast AQMD's website under the Air Quality Management Plan section (http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan):

- Draft Staff Report Request for Reclassification of Coachella Valley for the 1997 8-Hour Ozone
 Standard
- Notice of Public Consultation Meetings (English and Spanish)
- Flyer for Public Consultation Meetings (English and Spanish)
- Fact Sheet (English and Spanish)
- Public Consultation Meeting Presentation (Spanish interpretation was provided at the 6:00 p.m. meeting)

Response to Comment 7: The South Coast AQMD appreciates the submitted comment letter and also looks forward to working together with all stakeholders to improve air quality and public health in the region.

Attachment C



SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

PROJECT TITLE: REQUEST FOR RECLASSIFICATION OF COACHELLA VALLEY FOR 1997 8-HOUR OZONE STANDARD

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD) is the Lead Agency and has prepared a Notice of Exemption for the project identified above. South Coast AQMD staff has reviewed the request for reclassification of the Coachella Valley for 1997 8-hour ozone standard pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA.

Because the proposed project is administrative and procedural in nature, South Coast AQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. The proposed project is also considered categorically exempt because it is intended to further protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Action by Regulatory Agencies for Protection of the Environment. Further, South Coast AQMD staff has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. A Notice of Exemption will be prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption, and if the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Any questions regarding this Notice of Exemption should be sent to Barbara Radlein (c/o Planning, Rule Development and Area Sources) at the above address. Ms. Radlein can also be reached at (909) 396-2716. Mr. Zorik Pirveysian is also available at (909) 396-2431 to answer any questions regarding the proposed project.

Date: May 15, 2019

Signature:

Barbara Radlein Program Supervisor, CEQA Planning, Rule Development, and Area Sources

Reference: California Code of Regulations, Title 14

NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

To: County Clerks		From:	South Coast Air Quality Management District
Counties of Los	Angeles, Orange,		21865 Copley Drive
Riverside, and S	San Bernardino		Diamond Bar, CA 91765
Project Title: Reques	t for Reclassification	of the Coac	hella Valley for 1997 8-hour Ozone Standard
Project Location: The District (South Coast A Coastella Valley Plan	e project location is th AQMD) jurisdiction w	e portion of hich covers	f the South Coast Air Quality Management the federal nonattainment area known as the of Riverside County and the Salton Sea Air
Basin.	ling Area, which is a s	sub-region (Si Riverside County and the Saton Sea An
Description of Nature in the Coachella Valle the South Coast AQM Severe to Extreme nor seeking to establish a Coachella Valley into	e, Purpose, and Benef y in 2017 and 2018 wi D is submitting a requ attainment for the 199 new attainment date attainment with this st	ficiaries of hich caused lest to the U 07 8-hour of of June 1: andard.	Project: Due to higher ozone levels experienced exceedances of the 1997 8-hour ozone standard, J.S. EPA to reclassify the Coachella Valley from zone standard. The reclassification request is also 5, 2024 to provide additional time to bring the
Public Agency Appro South Coast Air Quali	ving Project: ty Management Distric	ct	Agency Carrying Out Project: South Coast Air Quality Management District
Exempt Status: CEQA Guidelines Sec CEQA Guidelines Sec	tion 15061(b)(3) – Co tion 15308 – Actions b	mmon Sens	e Exemption bry Agencies for Protection of the Environment
Reasons why project to California Environ three-step process for Guidelines Section 150 CEQA. Because the pr has determined that it have a significant adv CEQA pursuant to CE project is also conside environment pursuant of the Environment. Fu	is exempt: South Connental Quality Act (CH deciding which docum 061 – Review for Exem oposed project is admit can be seen with certain rerse effect on the enve CQA Guidelines Section to CEQA Guidelines South to CEQA Guidelines Souther, South Coast AQ the exceptions to the c	ast AQMD EQA) Guide ment to pre- nption, proc nistrative a inty that the vironment. on 15061(b) mpt because ection 1530 MD staff h ategorical e	staff has reviewed the proposed project pursuant elines Section 15002 (k) – General Concepts, the spare for a project subject to CEQA and CEQA edures for determining if a project is exempt from and procedural in nature, South Coast AQMD staff ere is no possibility that the proposed project may Therefore, the proposed project is exempt from D(3) – Common Sense Exemption. The proposed e it is intended to further protect or enhance the 188 – Action by Regulatory Agencies for Protection as determined that there is no substantial evidence exemption apply to the proposed project pursuant

to CEQA Guidelines Section 15300.2 – Exceptions.

Date When Project Will Be Considered for Approval (subject to change): South Coast AQMD Governing Board Hearing: June 7, 2019; South Coast AQMD Headquarters

CEQA Contact Person: Ms. Barbara Radlein	Phone Number: (909) 396-2716	Email: bradlein@aqmd.gov	Fax: (909) 396-3982
Rule Contact Person:	Phone Number: (909) 396-2431	Email:	Fax:
Mr. Zorik Pirveysian		zpirveysian@aqmd.gov	(909) 396-3324

Date Received for Filing:	Signature:	(Signed Upon Board Approval)
		Barbara Radlein
		Program Supervisor, CEQA
		Planning, Rule Development, and Area
		Sources



Request for Reclassification of Coachella Valley for the 1997 8-Hour Ozone Standard

Governing Board Meeting

June 7, 2019



- Coachella Valley is classified as a Severe nonattainment area for the 1997 8-hour ozone standard, with an attainment date of June 15, 2019
- Based on recent monitoring data, the area will not attain the standard by the attainment date
- The Clean Air Act allows reclassification to the next level of ozone nonattainment
 - Recommend asking U.S. EPA to reclassify the area as Extreme nonattainment
 - This provides an additional 5 years to attain the standard



Regional Classifications for the 1997 8-Hour Ozone Standard





Ozone Design Value Trend in Coachella Valley





Ozone Trends in Other CA Air Basins





Coachella Valley Meets the Federal PM2.5 Standards





PM10 Attainment in the Coachella Valley

- PM10 measured at Indio, Palm Springs, and Mecca
- Days that exceed the federal 24-hour PM10 standard are associated with high-wind natural events
- Coachella Valley PM10 Attainment Re-Designation Request was postponed by U.S. EPA pending additional monitoring and analysis in Mecca
- Staff plans to recommend re-designation once sufficient data is finalized and evaluated for exceptional events



Trends in Emissions and Measurements



tons per day (tpd)



Implications of Reclassification

New attainment date of June 2024

Major source threshold changed from 25 to 10 tpy for NOx and VOC

No nonattainment fee for major sources

Plan revision to demonstrate attainment (due 12 months after U.S. EPA's approval)

If no action is taken, U.S. EPA will issue a finding of failure to attain with similar consequences for major source thresholds and plan revision. In addition, nonattainment fees will apply for major sources.



Number of Facilities Under Severe and Extreme Classifications

Attainment Designation	Major Source Threshold for VOC & NOx (tons per year)	# of Facilities	Facility Potential to Emit (tons per year)	Title V	New Source Review
Severe	25	3	≥25	No additional impacts	
Extreme	10	4	≥10	Potential Impacts	Potential Impacts



Impact on Facilities

- One additional existing facility potentially impacted
 - Option to apply for permit changes to limit actual and/or potential to emit (PTE) emissions to below the major source threshold
- Expanding existing facilities becoming major sources
- New major source facilities



Public Process



Staff Report for Public Comment

- **Meetings in Coachella Valley**
- 3rd Board Briefing
- 15th Public Comments Due

12

7th – Submittal to CARB/U.S. EPA,

if Board approves



- Submit request to U.S. EPA for reclassification of Coachella Valley to Extreme nonattainment status
 - Avoids nonattainment fee for major sources
 - Provides additional time to demonstrate attainment (up to 5 years)
 - SIP revision to demonstrate attainment as expeditiously as possible, but not later than June 2024