

PROPOSED

State of California
AIR RESOURCES BOARD

Portola PM2.5 State Implementation Plan

Resolution 17-2

February 16, 2017

Agenda Item No.: 17-2-2

WHEREAS, the Legislature in Health and Safety Code section 39602 has designated the State Air Resources Board (ARB or Board) as the air pollution control agency for all purposes set forth in federal law;

WHEREAS, ARB is responsible for preparing the State Implementation Plan (SIP) for attaining and maintaining the National Ambient Air Quality Standards (NAAQS or standards) as required by the federal Clean Air Act (the Act) (42 U.S.C. section 7401 et seq.), and to this end is directed by Health and Safety Code section 39602 to coordinate the activities of all local and regional air pollution control and air quality management districts (districts) necessary to comply with the Act;

WHEREAS, section 39602 of the Health and Safety Code also provides that the SIP shall include only those provisions necessary to meet the requirements of the Act;

WHEREAS, section 41650 of the Health and Safety Code requires ARB to approve the nonattainment plan adopted by a district as part of the SIP unless the Board finds, after a public hearing, that the plan does not meet the requirements of the Act;

WHEREAS, ARB has responsibility for ensuring that the districts meet their responsibilities under the Act pursuant to sections 39002, 39500, 39602, and 41650 of the Health and Safety Code;

WHEREAS, ARB is authorized by section 39600 of the Health and Safety Code to do such acts as may be necessary for the proper execution of its powers and duties;

WHEREAS, sections 39515 and 39516 of the Health and Safety Code provide that any power, duty, purpose, function or jurisdiction of the Board may be delegated to the ARB Executive Officer as the Board deems appropriate;

WHEREAS, the districts have primary responsibility for controlling air pollution from non-vehicular sources and for adopting control measures, rules, and regulations to attain the NAAQS within their boundaries pursuant to sections 39002, 40000, 40001, 40701, 40702, and 41650 of the Health and Safety Code;

WHEREAS, in December 2012, the United States Environmental Protection Agency (U.S. EPA) issued an annual NAAQS for fine particulate matter (PM_{2.5}) of 12 µg/m³ (2012 PM_{2.5} NAAQS), which became effective in March 2013;

WHEREAS, effective April, 2015, U.S. EPA designated the City of Portola and the surrounding communities as the Plumas County PM_{2.5} Nonattainment Area with a moderate classification for the 2012 PM_{2.5} NAAQS;

WHEREAS, the Northern Sierra Air Quality Management (District) is the air quality planning agency for the Plumas County PM_{2.5} Nonattainment Area;

WHEREAS, the Plumas County PM_{2.5} Nonattainment Area includes the City of Portola and the nearby communities of Iron Horse, Delleker, C-Road, Mohawk Vista, Plumas-Eureka, Blairsden-Graeagle, Gold Mountain, Whitehawk, Clio, Johnsville, and portions of Lake Davis;

WHEREAS, in August 2016, U.S. EPA finalized the PM_{2.5} SIP implementation rule (Rule) which established the framework and requirements that states must meet in developing PM_{2.5} SIPs based on provisions of Subpart 4 of the Act;

WHEREAS, a moderate area SIP is required to include a comprehensive emission inventory; an assessment of Reasonably Available Control Measures (RACM) plus additional reasonable measures; an attainment demonstration or demonstration that the area cannot practicably attain the standard by the moderate attainment date; Reasonable Further Progress (RFP) and quantitative milestones; contingency measures; and motor vehicle transportation conformity budgets;

WHEREAS, the District developed the *Portola Fine Particulate Matter (PM_{2.5}) Attainment Plan* (Portola Plan) to fulfill the planning requirements of the Act and Rule for a PM_{2.5} moderate nonattainment area;

WHEREAS, consistent with the Act and the Rule, the Portola Plan includes a comprehensive, accurate, current inventory of emissions data for directly emitted PM_{2.5} and its precursors: oxides of nitrogen (NO_x), reactive organic gases (ROG), sulfur oxides (SO_x), and ammonia for all sources of the relevant pollutants in the area;

WHEREAS, the Portola Plan includes a RACM and additional reasonable measures demonstration for all significant stationary, area, and mobile sources as required under the Act;

WHEREAS, the Portola Plan demonstrates attainment of the annual standard of 12 µg/m³ by the moderate deadline of December 31, 2021;

WHEREAS, due to the nature of the PM_{2.5} problem, the Portola Plan attainment demonstration relies heavily on emission reductions to be achieved from a voluntary

wood stove change-out program which provides financial incentives for homeowners to replace high polluting uncertified stoves with cleaner burning certified devices;

WHEREAS, the Portola Plan demonstrates that the voluntary emission reductions are real, enforceable, quantifiable, surplus, and permanent as required by U.S. EPA guidance interpreting the Act;

WHEREAS, the Portola Plan includes a comprehensive precursor analysis to determine the significant precursors to be addressed in meeting Act requirements, such as RACM, RFP and contingency measures, and for developing inter-pollutant trading ratios;

WHEREAS, the comprehensive precursor analysis adequately demonstrates that direct PM_{2.5} emissions are the primary contributor to the nonattainment problem and that emission reductions from PM_{2.5} precursors would not advance the attainment date by one year;

WHEREAS, the Portola Plan demonstrates a combination of stepwise and linear progress in emission reductions between 2013 and 2022 meeting the RFP requirements of the Act;

WHEREAS, the Portola Plan provides quantitative milestones as required under the Act; and commits to provide U.S. EPA a report on the quantitative milestones within ninety days of these milestone dates;

WHEREAS, the Portola Plan identifies sufficient contingency measures for attainment contingency;

WHEREAS, the Portola Plan commits that “[t]he District will adopt a policy that by October 31, 2018 the District will evaluate the progress towards meeting the RFP and attaining the standard by the end of 2021. If the District estimates that the emission reductions are short of projections and the District will not meet the 2019 RFP, the District will only incentivize pellet stoves, propane stoves, and wood stoves meeting the U.S. EPA Step 2 emission limits.” (Portola Plan, p. 74.);

WHEREAS, to implement the Portola Plan’s commitment to only incentivize pellet stoves, propane stoves, and wood stoves meeting the U.S. EPA Step 2 emission limit if needed to meet 2019 RFP, ARB and the District staff will coordinate and submit, by January 1, 2019, a SIP revision that legally obligates the District to meet this commitment (Portola Plan Contingency Measure Commitment);

WHEREAS, consistent with the Act, the Portola Plan meets the requirement for conformity budgets which were developed in consultation with the District, transportation agencies, and U.S. EPA that conform to the RFP and the attainment emission levels;

WHEREAS, federal law set forth in section 110(l) of the Act and Title 40, Code of Federal Regulations (CFR), section 51.102, requires that one or more public hearings, preceded by at least 30 days of notice and opportunity for public review, must be conducted before adopting and submitting any SIP revision to U.S. EPA;

WHEREAS, as required by federal law, the District made the Portola Plan available for public review at least 30 days before the District hearing;

WHEREAS, following a public hearing on January 23, 2017, the District Governing Board approved the Portola Plan;

WHEREAS, the District submitted the Portola Plan to ARB for approval as a revision to the California SIP;

WHEREAS, to meet its obligations under CEQA, the District determined that the Portola Plan is exempt from CEQA under California Code of Regulations, title 14, section 15061(b)(3) (the general rule that CEQA only applies to projects which have the potential for causing a significant effect on the environment) and under section 15308 (actions taken by a regulatory agencies for protection of the Environment) because the record evidence shows with certainty that the Plan will enhance the environment by better protecting the public from health impacts associated with exposure to PM_{2.5}, the regulatory process involves procedures for protection of the environment, and there is no possibility that the proposed activity may result in a significant adverse impact on the environment;

WHEREAS, ARB has determined that its review and subsequent approval of the District Plan is a "ministerial" approval for purposes of CEQA (Cal. Code Regs, tit. 14, §15268) because ARB's review is limited to determining if the Plan meets the requirements of the Act, and ARB lacks authority to modify or not approve the Plan in response to environmental concerns, as described in Chapter IV of the ARB Staff Report.

NOW, THEREFORE, the Board finds that:

1. The Portola Plan includes the elements required for a moderate PM_{2.5} nonattainment area under Subpart 4 of the Act;
2. The Portola Plan modeling demonstrates attainment by the moderate attainment deadline of December 31, 2021;
3. The Portola Plan includes the required air quality and emissions data, RACM and additional reasonable measures demonstration, RFP demonstration, quantitative milestones, contingency measures for attainment year, and transportation conformity emissions budgets;

4. The Portola Plan Contingency Measure Commitment provides for the implementation of a specific measure to be undertaken if the District does not meet its 2019 RFP requirement;
5. ARB's review and approval of the Portola Plan submitted by the District for inclusion in the California SIP is a ministerial activity for purposes of CEQA.

BE IT RESOLVED that the Board hereby approves the *Portola Fine Particulate Matter (PM_{2.5}) Attainment Plan* as a revision to the California SIP.

BE IT FURTHER RESOLVED that the Board hereby directs the Executive Officer to submit the Portola Plan as adopted by the District along with the ARB Staff Report to U.S. EPA for inclusion in the SIP to be effective, for purposes of federal law, upon approval by U.S. EPA.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to work with the District and U.S. EPA and take appropriate action to resolve any completeness or approvability issues that may arise regarding the SIP submission.

BE IT FURTHER RESOLVED that the Board authorizes the Executive Officer to include in the SIP submittal any technical corrections, clarifications, or additions that may be necessary to secure U.S. EPA approval.

BE IT FURTHER RESOLVED that the Board hereby certifies that the *Portola Fine Particulate Matter (PM_{2.5}) Attainment Plan* and the ARB Staff Report was adopted after notice and public hearing as required by Section 110(l) of the Act and 40 CFR section 51.102.