State of California
AIR RESOURCES BOARD

Resolution 11-22

July 21, 2011

Agenda Item No.: 11-5-3

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 the preparation of the State Implementation Plan (SIP) for attaining and maintaining the national ambient air quality standards (NAAQS) 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, ARB has primary responsibility for the control of air pollution from vehicular sources, including motor vehicle fuels, as specified in sections 39002, 39500, and part 5 (commencing with section 43000) of the Health and Safety Code, and for ensuring that the Districts meet their responsibilities under the Act pursuant to sections 39002, 39500, 39602, 40469, and 41650 of the Health and Safety Code;

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

WHEREAS, the California Environmental Quality Act (CEQA) requires that no project which may have significant adverse environmental impacts may be adopted as originally proposed if feasible alternatives or mitigation measures are available to reduce or eliminate such impacts, unless specific overriding considerations are identified which outweigh the potential adverse consequences of any unmitigated impacts;

WHEREAS, in July 1997, the United States Environmental Protection Agency (U.S. EPA) promulgated an 8-hour ozone NAAQS;

WHEREAS, the Act and U.S. EPA regulations require California to submit to U.S. EPA a SIP to demonstrate attainment of the 8-hour ozone NAAQS for the South Coast and San Joaquin Valley nonattainment areas;

WHEREAS, the *Air Resources Board's State Strategy for California's 2007 State Implementation Plan* (State Strategy) relies on emission reductions from already adopted State control programs and expected reductions from proposed new State measures;

WHEREAS, the State's SIP commitments in the State Strategy consist of several components including a commitment to achieve all the reductions necessary to meet the SIP attainment target in the attainment year;

WHEREAS, the State Strategy identifies emission targets by pollutant with each target equal to the emission levels needed to demonstrate attainment;

WHEREAS, the State Strategy commits to achieving total aggregate emission reductions from all control measures in the State Strategy; there is no commitment to achieve an emission reduction target for each individual control measure;

WHEREAS, for 8-hour ozone nonattainment areas designated as extreme, section 182(e)(5) of the Act allows ozone SIPs to include a long-term strategy for identifying and implementing advanced technology measures;

WHEREAS, ARB has determined that the State Strategy will meet aggregate emission reduction commitments for the 8-hour ozone SIPs in the South Coast and San Joaquin Valley;

WHEREAS, on November 16, 2007, ARB submitted the adopted State Strategy to U.S. EPA as a revision to the California SIP;

WHEREAS, in 2007 ARB approved 8-hour ozone SIPs for the South Coast Air Basin and the San Joaquin Valley;

WHEREAS, in 2007 and 2008, ARB adopted regulations for 10 measures that were identified in the 2007 State Strategy and three regulations that will achieve ozone precursor reductions that were not identified as specific measures at the time the State Strategy was adopted;

WHEREAS, in 2009 ARB adopted a Status Report and SIP Revision that reflected implementation of the State Strategy in 2007 and 2008, made changes to the long-term strategy commitment, and made other clarifying changes to the State Strategy to aid U.S. EPA in its approval of California's SIP revision;

WHEREAS, the 2009 Status Report and SIP Revision contained a commitment that ARB would revise the 2007 State Strategy as may be appropriate and submit any revisions to U.S. EPA as a SIP revision;

WHEREAS, in 2009 and 2010, ARB continued its implementation of the 2007 State Strategy;

WHEREAS, on May 18, 2011, ARB adopted revisions to the PM2.5 rulemaking calendar, reasonable further progress milestones (RFP), and transportation conformity budgets (2011 PM2.5 SIP revision) to account for recent regulatory actions and recessionary impacts on emissions that occurred after the South Coast and San Joaquin Valley PM2.5 SIPs were adopted;

WHEREAS, section 110(l) of the Act and title 40 C.F.R. section 51.102 requires that one or more public hearings, preceded by at least 30 day notice and opportunity for public review, must be conducted prior to the adoption and submittal to U.S. EPA of any SIP revision;

WHEREAS, on June 20, 2011, ARB staff circulated for public review a Staff Report entitled *Proposed 8-hour Ozone State Implementation Plan Revisions and Technical Revisions to the PM2.5 State Implementation Plan Transportation Conformity Budgets for the South Coast and San Joaquin Valley Air Basins* (Staff Report) which included revisions for ozone similar to the 2011 PM2.5 SIP revision;

WHEREAS, the San Joaquin Valley 2007 8-hour ozone SIP modeling demonstrated the need for a 75 percent reduction in NOx emissions from estimated NOx emission levels of 642 tons per day in 2002, based on U.S. EPA modeling guidance using a relative reduction factor calculation;

WHEREAS, ARB staff has evaluated the impacts of the emission inventory improvements in the San Joaquin Valley and has concluded that based on an evaluation of the modeling results, a 72 percent reduction in NOx emissions from the new baseline would achieve the SIP attainment emissions target;

WHEREAS, comprehensive new modeling would remove the uncertainty regarding the percentage of reductions needed for attainment;

WHEREAS, the 75 percent reduction in NOx emissions established in the 2007 SIP represents an upper bound of the reductions needed for attainment;

WHEREAS, in the 2007 SIP ARB committed to develop and adopt any necessary SIP updates;

WHEREAS, ARB commits to update the 2007 SIP air quality modeling to reflect the emissions inventory improvements and any other new information by December 31, 2014, or the date by which SIPs are due for the expected revision to the federal 8-hour ozone standard, whichever is earlier;

WHEREAS, the Board reaffirms the 2007 State Strategy commitment to achieve all emission reductions that are necessary to provide for attainment;

WHEREAS, the proposed SIP Revision:

1. Updates the RFP tables and associated reductions for contingency purposes to reflect the impact of the recession and recent changes to the in-use heavy-duty truck and off-road equipment regulations;

2. Updates ARB's Rulemaking Calendar for the cleaner in-use agricultural equipment measure, with an action date of 2013, consistent with the updated calendar for the remaining ozone measures updated in the 2011 PM2.5 SIP revision;

3. Updates the transportation conformity budgets applicable to the 8-hour ozone standard for the South Coast and San Joaquin Valley, consistent with emission levels in the revised RFP tables, and in response to ARB action amending the truck and bus regulation;

4. Updates the long-term strategy commitment to identify and implement advanced technologies to reduce ozone-forming emissions in the State Strategy along with a commitment by the State to develop, adopt, and submit contingency measures by 2020 if advanced technology measures do not achieve planned reductions;

5. Makes minor technical changes to update the transportation conformity budgets from the 2011 PM2.5 SIP revision;

WHEREAS, in consideration of the proposed SIP Revision and the written and oral testimony presented by the public, industry, and government agencies, the Board finds that:

1. The proposed SIP Revision meets the applicable requirements established by the Act and U.S. EPA regulations;

2. The Board certifies pursuant to 40 C.F.R. section 51.102 that the proposed SIP Revision meets the notice and public hearing requirements specified in 40 C.F.R. section 51.102;

3. The proposed SIP Revision will not result in any significant adverse environmental impacts for the reasons identified in Appendix E to the Staff Report;

WHEREAS, sections 39515 and 39516 of the Health and Safety Code provide that any duty may be delegated to the Board's Executive Officer as the Board deems appropriate;

WHEREAS, Board regulations provide that prior to taking final action on any proposal for which significant environmental issues have been raised, the decision maker shall approve a written response to each such issue;

WHEREAS, the Executive Officer is the decision maker for the purposes of title 17, California Code of Regulations (CCR), section 60007;

NOW, THEREFORE, BE IT RESOLVED that the Board directs the Executive Officer to take the following actions regarding the proposed SIP Revision, as set forth in Attachment A to this resolution (Appendix A to the Staff Report):

1. The Executive Officer shall evaluate any comments received during the public comment period that raise significant environmental issues (if any), and prepare and approve written responses as required by CEQA and ARB regulations under its certified regulatory program (title 17, CCR, section 60007)

2. If after reviewing the public comments, the Executive Officer determines that the proposed SIP Revision could result in one or more significant adverse environmental impacts, the Executive Officer shall determine whether there are feasible alternatives or mitigation measures that could be implemented to reduce or eliminate any such adverse environmental impacts, and shall make findings as required by Public Resources Code section 21081.

3. The Executive Officer shall take final action to adopt the SIP Revision set forth in Attachment A to this Resolution, with any modifications that are necessary to ensure that all feasible mitigation measures or feasible alternatives that would substantially reduce any significant adverse environmental impacts have been incorporated into the final action.

4. The Executive Officer shall submit the adopted SIP Revision to U.S. EPA for approval, along with other appropriate supporting documentation.

5. The Executive Officer shall work with U.S. EPA and take appropriate action to resolve any completeness or approvability issues that may arise regarding the proposed SIP Revision.

I hereby certify that the above is a true and correct copy of Resolution 11-22, as adopted by the Air Resources Board.

Mary Alice Morency, Clerk of the Board

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Identification of Attachments to the Board Resolution

Attachment A: Proposed 8-Hour Ozone State Implementation Plan Revisions and Technical Revisions to the PM2.5 State Implementation Plan Transportation Conformity Budgets for the South Coast and San Joaquin Valley Air Basins, released June 21, 2011, including Appendices A through E, available at: http://www.arb.ca.gov/planning/sip/2007sip/2007sip.htm