



March 20, 2017

RE: CAC Comments on Adopting the 2016 Air Quality Management Plan for Ozone and PM2.5 for the South Coast Air Basin and the Coachella Valley

On behalf of our members, the California Airports Council (CAC) writes to express strong concern about the South Coast Air Quality Management District's (SCAQMD) Air Quality Management Plan (AQMP) approved at the March 3rd Board Meeting. The amended plan is now before the California Air Resources Board (CARB) for consideration and includes actions that could have negative impacts to aviation activity and local economies across California.

Originally, the draft AQMP included mobile source strategy (MOB-04) for voluntary emission reductions at commercial airports, however, this language was amended after the close of public testimony to insert the consideration of the AQMD's Board adopting an Indirect Source Rule (ISR) for commercial airports. The measure seeks to include an ISR for commercial airports within the South Coast Basin by February 1, 2019 to control emissions of NO_x, PM_{2.5}, lead, and diesel particulate matter from non-aircraft sources. By including the amendments without consultation or assurances from the Federal Aviation Administration (FAA), the United States Department of Transportation (DOT), any other relevant federal authorities, or aviation stakeholders, the SCAQMD has in effect approved a measure that may conflict with federal authority, and creates a framework that airports may not have the legal authority to impose on tenants and other airport stakeholders.

An ISR regulates total emissions from a facility, rather than individual sources. As defined in 42 U.S.C. §7410(a)(5)(C) an indirect source is a facility, building, structure, installation, real property, road, or highway which attracts, or may attract, mobile sources of pollution. Placing an ISR on airport operations is harmful to the aviation network as it could be a violation of federal policy. Per the Clean Air Act, 42 U.S.C. § 7401 et seq., the Federal Aviation Act, 49 U.S.C. § 40101 et seq., and the Airport Noise and Capacity Act, 49 U.S.C. § 47521 et seq., state regulation of aircraft and aircraft engines, *and of airport emissions that impinges upon aircraft operations* is federally preempted. Most importantly, federally-assisted airports are exempt from state-promulgated indirect source review programs because the Administrator of the EPA has the exclusive authority to promulgate, implement and enforce regulations respecting indirect source review programs that apply to federally-assisted airports (42 U.S.C. §7410(a)(5)(B)).

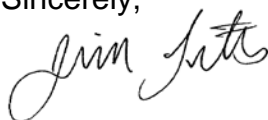
With the limited information provided due to the abbreviated consideration period and lack of collaborative discussion, the ISR could have an immediate impact on cargo transport, passenger traffic and even facility construction. Aircraft emissions omitted, the remaining emissions from an airport are nominal in comparison to other industries. The largest emitter would be customer vehicles traveling to and from the facility which airports have no authority to control. Additional sources would be from ground support equipment and vehicle traffic on the airfield, but again, airports have limited jurisdiction over the equipment. It is important to note that airports operate as a landlord to tenants wishing to provide services at the facility. Most equipment operating on-site is not owned by the airport, therefore airports are limited in their authority to impose emissions controls for such equipment.

In addition, the nature of an ISR poses unspecified risk on future development and construction for capital infrastructure projects at California's airports due to potential associated emissions. If an emissions cap is placed on airport facilities, construction projects may face significant delays to remain within emissions thresholds for the area. In turn, projects may be deferred, construction costs will rise significantly due to unforeseen timeline expansions, and delay those projects that are safety and security related or required to be implemented by federal law. Further, the ISR could have a chilling effect upon jobs and the economic progress of the Southern California region. Airport construction is already subject to compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). Adding additional measures such as an ISR on top of existing regulatory approval processes creates inflexibility and higher costs.

In lieu of an ISR, California's airports are supportive of voluntary initiatives as outlined in MOB-04 as originally drafted in South Coast's AQMP. CARB is scheduled to discuss the final 2016 AQMP at the Thursday, March 23, 2017 meeting and we strongly encourage your opposition to the ISR included in MOB-04. There are alternative options that can be utilized to produce a sustainable, efficient, and competitive solution for California's green initiatives. SCAQMD and CARB should take into consideration the environmental progress achieved by airports in the state and strategically discuss future initiatives that can support our industries' efforts without placing burdensome and inflexible measures on operations.

We thank you for the opportunity to comment on the Air Quality Management Plan produced by the South Coast Air Quality Management District, and strongly urge your reconsideration of any indirect source rule on aviation facilities.

Sincerely,



Jim Lites
Executive Director
California Airports Council