

*State of California*  
*AIR RESOURCES BOARD*

***STAFF REPORT: Initial Statement of Reasons for Rulemaking***

***Proposed  
2012 Amendments to  
Area Designations for  
State Ambient Air Quality Standards***

Date of Release

This report has been reviewed by the staff of the California Air Resources Board and approved for publication. Approval does not signify that the contents necessarily reflect the views and policies of the Air Resources Board, nor does mention of trade names of commercial products constitute endorsement or recommendation for use.



## EXECUTIVE SUMMARY

The Air Resources Board (ARB) has established State ambient air quality standards (State standards or standards) to protect public health and welfare. State law requires ARB to assess the air quality in each area of California and determine whether it meets State standards. These area designations are based on established criteria, ensuring they are made in a consistent manner. ARB annually reviews area designations for all State standards, using the most currently available air quality data. Each area of the State is designated as one of four categories:

- **Attainment** – pollutant concentrations do not violate the State standard
- **Nonattainment** – pollutant concentrations violate the State standard
- **Nonattainment-Transitional** – pollutant concentrations violate the State standard, but air quality is nearing attainment
- **Unclassified** – insufficient data

### **Proposed Amendments to the Area Designation Regulations**

This review of the area designations is based on 2008 through 2010 air quality data. Based on these data, ARB staff is proposing amendments to current area designation regulations for fine particulate matter (PM<sub>2.5</sub>). The amendments to the PM<sub>2.5</sub> area designation regulations require formal ARB action. These changes are reflected in the proposed amendments to ARB's area designation regulations provided in Appendix B, and are summarized in Table ES-1.

### **Other Information in this Staff Report**

Two changes in ozone designations from nonattainment to nonattainment-transitional occurred by operation of law. For purposes of completeness, these non-discretionary changes are also reflected in the amendments to ARB's area designation regulations provided in Appendix B, and are also summarized in Table ES-1.

State law requires ARB to annually review and publish maps and tables identifying the attainment status of each area of the State with respect to both the State and national ambient air quality standards (national standards). Updated maps and tables are provided in Appendix C to this report. They reflect the proposed amendments to area designations for State standards that are summarized in this staff report, those changes that occurred by operation of law, and the current area designations for the national standards.

**TABLE ES-1**  
**PROPOSED AMENDMENTS TO AREA DESIGNATIONS FOR STATE STANDARDS**  
*(Based on 2008-2010 data)*

Pollutant	Designation Area	Current Designation	Proposed Designation
<b>PM<sub>2.5</sub></b>	<b>North Coast Air Basin</b>		
	Entire Air Basin	U	A
	<b>Northeast Plateau Air Basin</b>		
	Entire Air Basin	U	A
	<b>South Central Coast Air Basin</b>		
	Ventura County	N	A
<b>Ozone</b>	<b>Glenn County</b>	N	NA-T*
	<b>Yolo-Solano Air Quality Management District</b>	N	NA-T*

*Designation Categories:*

A = Attainment; N = Nonattainment; NA-T = Nonattainment-Transitional; U = Unclassified.

\* Changes in ozone designation from nonattainment to nonattainment-transitional occurred by operation of law under Health and Safety Code section 40925.5.

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# CHAPTER I

## BACKGROUND

### ***A. INTRODUCTION***

This chapter provides background information on the differences between the State and national ambient air quality standards, the legal requirements for the State designation criteria and area designation regulations, the purpose and benefits of the regulations, the implications of the various designation categories, and the public process used in developing the proposed area designation amendments that are described in Chapter III.

### ***B. STATE AND NATIONAL AMBIENT AIR QUALITY STANDARDS***

California law requires ARB to establish State ambient air quality standards (State standards or standards) in consideration of public health, safety, and welfare. These standards define the maximum amount of a pollutant that can be present in the ambient air. Currently, there are State standards for ten pollutants: ozone, suspended particulate matter (PM<sub>10</sub>), fine particulate matter (PM<sub>2.5</sub>), carbon monoxide, nitrogen dioxide, sulfur dioxide, sulfates, lead, hydrogen sulfide, and visibility reducing particles. In addition to the State standards, the Federal Clean Air Act requires the United States Environmental Protection Agency (U.S. EPA) to establish national ambient air quality standards (national standards). In some cases, California's State standards are more health-protective than the corresponding national standards. Additionally, ARB has established State standards for pollutants not covered by national standards (sulfates, hydrogen sulfide, and visibility reducing particles).

Both State and national standards are generally specified as a concentration averaged over a specific time period, such as 1-hour, 8-hours, 24-hours, 30-days, or 1 year. The different averaging times and concentrations are meant to protect against different exposure impacts. Some ambient air quality standards are expressed as a concentration that is not to be exceeded, while others are expressed as a concentration that is not to be equaled or exceeded. The national standards are further categorized as primary standards (established to protect public health) and secondary standards (established to protect public welfare). Appendix C contains a table listing the State and national standard levels, averaging times, and analytical measurement methods.

### ***C. LEGAL REQUIREMENTS***

Health and Safety Code (H&SC) section 39607(e) requires ARB to establish and periodically review criteria for designating areas as attainment or nonattainment for the State standards. The criteria (summarized in Chapter II) describe the procedures that ARB must use in determining area designations for State standards. ARB originally

adopted the required designation criteria in June 1989 and has updated them several times since, most recently in March 2010.

H&SC section 39608 requires ARB to use the designation criteria to designate areas of California as attainment, nonattainment, or unclassified for the State standards. In addition, HS&C section 40925.5 provides for the redesignation of a nonattainment district as nonattainment-transitional for ozone by operation of law. Finally, H&SC section 39608 requires ARB to conduct an annual review of the area designations and update them, as warranted. The area designations are made for each of the ten pollutants previously listed.

In addition to the designation criteria and area designation requirements, H&SC section 40718 requires ARB to publish maps showing the areas with one or more violations of any State or national standard. The maps and summary tables provided in Appendix C to this report fulfill this requirement by indicating the attainment status of each area of the State. The maps and tables for the State standards reflect the proposed area designation amendments described in Chapter III of this report as well as those changes that occurred by operation of law. The maps and tables for the national standards reflect the current national area designations, as promulgated by U.S. EPA (as of March 22, 2012).

#### ***D. PROBLEM***

Each year, ARB monitors air pollutants in California in cooperation with local air pollution control and air quality management districts (districts) and other agencies. Based on these monitoring data, and in consultation with the districts, ARB is required to annually identify and designate each area which is in attainment and each area which is in nonattainment for each State ambient air quality standard. ARB must make this identification and designation on a pollutant-by-pollutant basis. Where ARB finds that data are not sufficient to determine the attainment or nonattainment status for an air basin, ARB must identify the air basin as unclassified.

Based upon the most recent complete and quality-assured monitoring results, using the best available technological capabilities and the best scientific judgment, ARB must annually publish maps identifying those areas which violate any State or national ambient air quality standard.

ARB has completed its annual review of the latest complete monitoring data (2008 to 2010). These data indicate that the previous designations for certain pollutants in certain air basins are no longer applicable. Therefore, the healthfulness of the air quality in these affected air basins is not accurately portrayed to the public and the districts. ARB proposes to update the designations to be consistent with the monitoring data.

## ***E. PURPOSE, BENEFITS, AND GOALS OF THE REGULATIONS***

H&SC section 39608 requires ARB to monitor air quality and to annually designate each air basin as attainment, nonattainment, or unclassified for the State ambient air quality standards based on these data. Likewise, H&SC section 40718 requires ARB to publish maps identifying those cities, counties, or portions thereof which violate any State or national ambient air quality standard. Collectively, the purposes, benefits, and goals of these two statutes, which are identified as references to this rulemaking, are:

- To protect the health, safety, and welfare of the public, including those at risk of adverse effects with exposure to air pollution, such as children, the elderly, and people who are active outdoors;
- To safeguard the quality of the physical environment in which Californians live by an intensive, coordinated State, regional, and local effort to protect and enhance the ambient air quality of the State;
- To encourage a regional approach to meeting State ambient air quality standards throughout the State, whenever possible; and
- To be consistent with the State goal of providing a decent home and suitable living environment for every Californian.

## ***F. PURPOSE AND BENEFITS OF THE AMENDMENTS***

The purpose of the proposed amendments is to update the area designations using the most recent, complete air quality data for each pollutant. Currently, there are State standards for ten pollutants: ozone, PM<sub>10</sub>, PM<sub>2.5</sub>, carbon monoxide, nitrogen dioxide, sulfur dioxide, sulfates, lead, hydrogen sulfide, and visibility reducing particles. The proposed amendments will change the designation of the specified air basin, or portion thereof, as attainment, nonattainment, or unclassified for the State ambient air quality standards based on these data.

The proposed amendments to the area designations will not result in any direct impact on public health or the environment because the regulations do not contain any requirements for action; they are labels identifying the air quality in each area. For a more detailed discussion of the impacts and benefits of the proposed amendments, see Chapter V.

## **G. RATIONALE**

The proposed amendments satisfy the statutory requirement to annually review and update the area designations based on the most recent, complete, and quality-assured air quality monitoring results, i.e., from 2008 through 2010. As the area designations are simply labels that describe the healthfulness of the air quality in each area, the proposed amendments do not contain any requirements for action.

## **H. PUBLIC PROCESS**

In order to facilitate public comment during the designation review process, ARB staff requested public input in a number of ways. After ARB staff's initial review of the 2008 through 2010 air quality data, staff noted potential changes to the existing area designations for PM<sub>2.5</sub>. Staff also noted changes to the area designations for ozone, which occurred by operation of law pursuant to H&SC section 40925.5. Staff contacted the affected districts to discuss the results of the review and provide an opportunity for district input. Staff also maintained a web-based subscriber notification process or listserve. For those who subscribe, the listserve provides electronic updates related to area designation issues.

On February 6, 2012, staff announced a public workshop scheduled for February 21, 2012. This workshop was held in the form of a webinar. Staff posted the workshop notice on the ARB website and notified the affected districts, as well as subscribers to the designation listserve. The workshop announcement included a discussion of the staff's proposed amendments to the area designations based on the 2008 through 2010 air quality data. Approximately 19 people participated in the workshop. No public comments were received during or after this workshop.

## CHAPTER II

### AREA DESIGNATION CRITERIA

#### **A. INTRODUCTION**

The following sections describe the general provisions of the existing designation criteria, the area designation categories, the data requirements, the size of the designated area, and the requirements for identifying highly irregular or infrequent events. Appendix A contains the full text of the designation criteria.

#### **B. GENERAL PROVISIONS OF THE DESIGNATION CRITERIA**

The designation criteria describe the procedures ARB must use in determining an area's designation status with respect to the State standards. In summary, the designation criteria specify:

- The requirements for each designation category;
- The data to use in making area designation determinations;
- The procedure for excluding qualifying high concentrations;
- The size of the designated area; and
- The requirement for an annual review of the area designations.

#### **C. DESIGNATION CATEGORIES**

The designation criteria specify four designation categories: nonattainment, nonattainment-transitional, attainment, and unclassified. Determining which category is appropriate for an area is generally based on the number of violations in the area. Therefore, it is essential to understand the difference between an exceedance and a violation. An exceedance is any concentration that is higher than the level of the State standard. In contrast, violations are a subset of exceedances. A violation is an exceedance that is not affected by a highly irregular or infrequent event and therefore, cannot be excluded from the area designation process (refer to Section F, below).

*Nonattainment.* ARB designates an area as nonattainment for a pollutant if air quality data show a State standard for that pollutant was violated one or more times during the previous three calendar years.

*Nonattainment-Transitional.* The nonattainment-transitional category is a subcategory of nonattainment, with different requirements for ozone than for the other pollutants. For non-ozone pollutants, ARB designates an area as nonattainment-transitional if air quality data show a State standard for that pollutant was violated two or fewer times at each site in the area during the most recent calendar year. In contrast, the nonattainment-transitional requirements for ozone are specified in State law rather than

in the designation criteria. Specifically, H&SC section 40925.5 specifies that a nonattainment district is designated as nonattainment-transitional for ozone if air quality data show three or fewer exceedances of the State standard at each site in the area during the most recent calendar year.

There are four key differences in the ozone nonattainment-transitional requirements, compared with those for the other pollutants. First, the designated area is always a district (or portion of a district within an air basin), rather than an air basin, county, or other geographic area. Second, the designation is based on exceedances, which means all air quality measurements are considered -- none are excluded. Third, only nonattainment districts may be designated as nonattainment-transitional for ozone. Finally, the ozone nonattainment-transitional designation occurs by operation of law and is non-discretionary. ARB updates the area designation regulations to reflect the change.

Attainment. In contrast to nonattainment and nonattainment-transitional, ARB designates an area as attainment for a pollutant if data show the State standard was not violated during the previous three calendar years. Data used for an attainment designation must be representative of the averaging time of the standard and complete for the time period evaluated.

Unclassified. Finally, ARB designates an area as unclassified for a pollutant if the available data are insufficient to support any other designation category.

#### **D. DATA REQUIREMENTS**

To the extent possible, the area designations are based on the most recent air quality data. These must be data for record, which means they satisfy specific siting and quality assurance procedures established by the U.S. EPA and ARB. Generally, data for record are those data collected by or under the direction of ARB or the local districts. Air quality data from other sources may also qualify as data for record, as long as the same requirements are met. For area designation purposes, air quality measurements and statistics are rounded to the precision of the State standard before being compared with the standard. The rounding convention is summarized in Appendix D.

When adequate and recent air quality data are not available, ARB may use other types of information to determine an appropriate area designation. These other types of information may include historical air quality data, emissions data, meteorological data, topographical data, and data relating to the characteristics of population or emissions.

#### **E. SIZE OF DESIGNATED AREA**

The size of the area designated for a pollutant varies, depending on the nature of the pollutant, the location of contributing emissions sources, meteorology, and topographic features. An air basin is the area generally designated for pollutants with a regional

impact: ozone, nitrogen dioxide, sulfates, and visibility reducing particles. A county (or portion of a county located within an air basin) is generally the area designated for pollutants with a more localized impact: carbon monoxide, sulfur dioxide, lead, and hydrogen sulfide. Depending on the area and the characteristics of the emissions sources, PM<sub>10</sub> and PM<sub>2.5</sub> may be considered to have either regional or localized impacts. In some cases, ARB may designate a smaller area if it finds that the smaller area has distinctly different air quality.

#### ***F. HIGHLY IRREGULAR OR INFREQUENT EVENTS***

The designation criteria provide for excluding certain high air quality measurements from the area designation process. More specifically, the criteria provide for excluding exceedances affected by highly irregular or infrequent events, because it is not reasonable to mitigate these exceedances through the regulatory process. Appendix 2 to the designation criteria (refer to Appendix A) defines three types of highly irregular or infrequent events:

- Extreme concentration events
- Exceptional events
- Unusual concentration events

*Extreme Concentration Event.* An extreme concentration is identified using a statistical procedure. This procedure calculates a concentration that is not expected to be exceeded more than once per year, on average. The calculated value is commonly called the Expected Peak Day Concentration or EPDC. In practice, a pollutant-specific EPDC is calculated for each monitoring site, using air quality data measured at the site during the most recent three calendar years. The EPDC value is rounded to the precision of the State standard and then compared with air quality measurements for the same site, which are also rounded to the precision of the State standard. Measurements that exceed the State standard and are higher than the rounded EPDC are excluded from the area designation process; these exceedances are not considered violations of the standard. In contrast, measurements that exceed the State standard but are equal to or lower than the rounded EPDC are not excluded from the designation process; these values are considered violations of the State standard.

In cases where data are not complete for the three-year period being evaluated, the EPDC may not be valid for area designation purposes. If the EPDC is not valid, no measurements are excluded as extreme concentration events. Finally, an EPDC is calculated only for standards with an averaging time equal to or less than 24-hours.

*Exceptional Event.* In contrast to an extreme concentration event, an exceptional event is an exceedance of a State standard that is caused by a specific, identifiable event and is beyond reasonable regulatory control. An exceptional event may be caused by an act of nature (for example, a wildfire or severe windstorm) or it may be of human origin (for example, a chemical spill or industrial accident). Air quality measurements

identified as exceptional events are not considered violations and are excluded from the designation process.

*Unusual Concentration Event.* An unusual concentration is an unexpected or atypical exceedance of a State standard that cannot be identified as an extreme concentration or an exceptional event. Unusual concentrations are identified only for areas already designated as attainment or unclassified. Generally, unusual concentrations are identified for sites with limited air quality data, and therefore, uncertainty as to the expected concentration levels. In identifying such events, the Executive Officer must make specific findings based on relevant information. An area may retain its attainment or unclassified designation based on the exclusion of unusual concentrations for up to three consecutive years. If an exceedance occurs during the fourth year, the area is redesignated as nonattainment, unless the exceedance can be excluded as an extreme concentration or an exceptional event.

## CHAPTER III

### PROPOSED AMENDMENTS TO THE AREA DESIGNATIONS

#### **A. INTRODUCTION**

As required by H&SC section 39608, the area designations are reviewed and updated each year, based on air quality data from the most recent three calendar years. This year's review considered air quality data collected during 2008 through 2010. Based on these data, staff proposes amendments to the area designations for fine particulate matter (PM<sub>2.5</sub>), California Code of Regulations (CCR), title 17, section 60210, listed below. The proposed amendments, once adopted by ARB, must be approved by the Office of Administrative Law before they become effective.

- *Proposed Amendments to PM<sub>2.5</sub> Area Designations (section 60210):*
  - *Redesignate the North Coast Air Basin as Attainment*
  - *Redesignate the Northeast Plateau Air Basin as Attainment.*
  - *Redesignate Ventura County in the South Central Coast Air Basin as Attainment.*

Changes to the area designations for ozone, CCR, title 17, section 60201, which occurred automatically by operation of law, are also discussed in this chapter for completeness. These changes are:

- Re-designation of Glenn County from nonattainment to nonattainment-transitional.
- Re-designation of Yolo County and the Sacramento Valley Air Basin (SVAB) portion of Solano County from nonattainment to nonattainment-transitional.

All references used in the development of this regulatory proposal are found in Exhibit E.

#### **B. DESIGNATION PROCESS**

The area designations are based on air quality data for record as defined in section 70301 of the designation criteria (refer to Chapter II, Section D). The process used to designate an area is generally the same for each pollutant:

- Gather data for the three-year period for each site in the area;
- Evaluate data representativeness and data completeness for each site;
- Identify and exclude exceedances affected by highly irregular or infrequent events;
- Tabulate the number of exceedances and violations by site;

- Determine the designation value for each site;
- Determine the designation value for the area; and
- Determine the appropriate designation category.

Determining the designation value is the most critical part of the designation process because the designation value determines the designation category. More detail about the designation value and how it is determined is found in the following section.

### ***C. DESIGNATION VALUE***

The designation value is the measured concentration that is used to determine the designation status of a given area. In practice, the designation value is the highest measured concentration in the three-year period that remains, after excluding concentrations affected by highly irregular or infrequent events.

A designation value is determined for each pollutant, for each monitoring site in an area. The highest designation value for any site in the area becomes the designation value for the area. When there is more than one standard for a single pollutant, a designation value is determined for each standard averaging time. For example, there is both a 1-hour and an 8-hour State standard for ozone. As a result, there is a 1-hour designation value, as well as an 8-hour designation value. The final area designation reflects the more stringent designation category for either of the two averaging periods. Using ozone as an example, consider an area with a 1-hour ozone designation value that is lower than the State standard, indicating attainment and an 8-hour designation value that is higher than the State standard, indicating nonattainment. In this case, the area would be designated as nonattainment for ozone, because that is the more stringent designation category.

### ***D. FINE PARTICULATE MATTER (PM<sub>2.5</sub>)***

The State PM<sub>2.5</sub> standard is an annual standard of 12 µg/m<sup>3</sup>, not to be exceeded. Based on data collected during 2008 through 2010, ARB staff recommends updating the designations for three areas.

#### *1. North Coast Air Basin*

The North Coast Air Basin (NCAB) qualifies as attainment for PM<sub>2.5</sub>. The NCAB, currently designated as unclassified, is located in the northwest corner of California and is comprised of the North Coast Unified Air Quality Management District, Mendocino County Air Quality Management District, and the Northern Sonoma County Air Pollution Control District.

During 2008 through 2010, monitoring data are available for the two active PM<sub>2.5</sub> sites, located in Eureka in Humboldt County. Historically, these sites have been the high sites for PM<sub>2.5</sub> and were determined to be representative of air quality in the NCAB. Both

sites had three years of complete data below the annual standard with a designation value of  $8 \mu\text{g}/\text{m}^3$ .

## *2. Northeast Plateau Air Basin*

The Northeast Plateau Air Basin (NEPAB) qualifies as attainment for  $\text{PM}_{2.5}$ . The NEPAB, currently designated as unclassified, is located in the northeastern corner of California and is comprised of the Lassen County Air Pollution Control District, the Modoc County Air Pollution Control District, and the Siskiyou County Air Pollution Control District.

Data completeness criteria, set forth in “Criteria for Determining Data Completeness”, contained in Appendix 3 to CCR, title 17, section 70304, allows for the use of one year of complete data, if the maximum pollutant concentration is less than half the applicable State ambient air quality standard. During 2008 through 2010, monitoring data for the Yreka monitoring site, the NEPAB high site and representative of air quality in the basin, were below the one-half requirement, with an annual average designation value of  $5 \mu\text{g}/\text{m}^3$ .

## *3. South Central Coast Air Basin*

### *a. Ventura County*

Ventura County in the South Central Coast Air Basin qualifies as attainment for  $\text{PM}_{2.5}$ . This county, currently designated as nonattainment, coincides in area with the Ventura County Air Pollution Control District.

During 2008 through 2010, complete monitoring data are available for four of five sites located in Ventura County. These sites, including the high site at Thousand Oaks, had three years of complete data below the annual standard with a designation value of  $11 \mu\text{g}/\text{m}^3$ . Although the remaining site, Ojai, did not have complete data for any of the three years, analysis of available data indicates that concentrations are well below the State standard.

## **E. OZONE**

The State ozone standards are a 1-hour standard of 0.09 parts per million (ppm) and an 8-hour standard of 0.070 ppm, neither to be exceeded. To be attainment, the designation values for all sites in the area must be at or below both standards. H&SC section 40925.5 specifies that a nonattainment district is designated as nonattainment-transitional for ozone if air quality data show three or fewer exceedances of the State standard at each site in the area during the most recent calendar year; this designation occurs by operation of law and is non-discretionary. Based on data collected during 2008 through 2010, the redesignation of two areas from nonattainment to nonattainment-transitional occurred by operation of law; these changes will be

incorporated into CCR, title 17, section 60201 to accurately reflect the areas' designation.

*1. Sacramento Valley Air Basin*

*a. Glenn County Air Pollution Control District*

The redesignation of Glenn County to nonattainment-transitional occurred by operation of law. Glenn County is located in the Sacramento Valley Air Basin, comprises the Glenn County Air Pollution Control District, and is currently designated as nonattainment. During 2008 through 2010, monitoring data are available for a site located in Willows. Although measured concentrations do not exceed the State 1-hour ozone standard, concentrations exceed the 8-hour standard. The 8-hour designation value is 0.072 ppm, which is above the State 8-hour ozone standard; however there were no exceedance days during 2010. Glenn County meets all the requirements for nonattainment-transitional, with three or fewer exceedances during the most recent calendar year, as well as the current calendar year, as specified in the designation criteria.

*b. Yolo-Solano Air Quality Management District*

The redesignation of Yolo County and the Sacramento Valley Air Basin (SVAB) portion of Solano County to nonattainment-transitional occurred by operation of law. Yolo and Solano Counties are located in the SVAB and comprise the Yolo-Solano Air Pollution Control District. The area is currently designated as nonattainment. During 2008 through 2010, monitoring data are available for three sites and the data are representative and complete. The 8-hour ozone designation value is 0.088 ppm; however, the area meets all the requirements for nonattainment-transitional, with three or fewer exceedances at any site during the most recent calendar year, as well as the current calendar year, as specified in the designation criteria.

## CHAPTER IV

### ALTERNATIVES TO THE PROPOSED AMENDMENTS

State law (H&SC section 39607(e)) requires ARB to establish criteria for designating areas as attainment or nonattainment for the State standards. State law (H&SC section 39608(c)) further requires ARB to use the designation criteria in an annual review of the area designations.

ARB staff's proposed amendments to the area designations are described in Chapter III. The proposed amendments reflect the application of the designation criteria set forth in CCR, title 17, sections 70300 through 70306 and Appendices 1 through 3, thereof. Each proposed amendment is accompanied by a discussion of its basis and justification.

#### ***A. REASONABLE ALTERNATIVES TO THE AMENDMENTS***

ARB staff considered potential alternatives to the proposed amendments (namely, the no action alternative). ARB staff find the proposed amendments are more appropriate than the no action alternative, which would be inconsistent with State law, and would retain designations based on older, outdated data. In addition, the no action alternative would not inform the public or districts about the healthfulness of air quality, based on the most recent data.

#### ***B. REASONABLE ALTERNATIVES THAT WOULD LESSEN THE IMPACT ON SMALL BUSINESS***

ARB staff have also considered the potential alternatives to the proposed amendments that would lessen any adverse impact on small business (namely, the no action alternative). However, as discussed above, the proposed amendments are more appropriate than the no action alternative, which would retain the unclassified designation for the North Coast Air Basin and Northeast Plateau Air Basin and the nonattainment designation for Ventura County in the South Central Coast Air Basin. The no action alternative would not lessen nor increase any impact on small businesses.

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## CHAPTER V

### IMPACTS AND BENEFITS OF THE PROPOSED AMENDMENTS, INCLUDING ECONOMIC IMPACT ANALYSIS PREPARED PURSUANT TO GOVERNMENT CODE SECTION 11346.3

#### **A. INTRODUCTION**

The intent of the proposed regulatory action is to update the air quality designations for each air basin, or portion thereof, to be consistent with the most recent complete monitoring data. Adopting the proposed amendments to the area designations will not result in any direct impact on public health or the environment because the regulations do not contain any requirements for action.

#### **B. ECONOMIC IMPACTS**

ARB staff do not expect the proposed amendments to have any adverse impacts on California employment, business status, or competitiveness.

##### *1. Legal Requirement*

The Government Code requires State agencies proposing to adopt or amend any administrative regulation to assess the potential for adverse economic impact on California business enterprises and individuals. The assessment shall include consideration of the impact of the proposed regulatory amendments on California jobs, business expansion, elimination, or creation, and the ability of California businesses to compete in other States.

State agencies are also required to estimate the cost or savings to any State or local agency and school district in accordance with instructions adopted by the Department of Finance. This estimate is to include non-discretionary costs or savings to local agencies and the costs or savings in federal funding to the State.

##### *2. Potential Impact on Businesses, Business Competitiveness, Employment, and Business Creation, Elimination, or Expansion*

The determinations of ARB's Executive Officer concerning the costs or savings necessarily incurred by public agencies and private persons and businesses in reasonable compliance with the proposed amendments are presented below.

The proposed amendments to the area designation regulations do not contain any requirements for action. The area designations are simply labels that describe the healthfulness of the air quality in each area. Because the area designation regulations

contain no requirements for action, they have no direct economic impact, and the following general determinations are appropriate.

In developing this regulatory proposal, ARB staff evaluated the potential economic impacts on representative private persons or businesses. ARB is not aware of any cost impacts that a representative private person or business would incur due to the proposed action.

The Executive Officer also has made an initial determination that the proposed regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other States, or on representative private persons.

In accordance with Government Code section 11346.3, the Executive Officer has determined that the proposed regulatory action will not affect the creation or elimination of jobs within the State of California, the creation of new businesses or elimination of existing businesses within the State of California, or the expansion of businesses currently doing business within the State of California.

The Executive Officer has also determined, pursuant to CCR, title 1, section 4, that the proposed regulatory action will not affect small businesses because the proposed regulatory action does not contain any requirements for action.

Before taking final action on the proposed regulatory action, ARB must determine that no reasonable alternative considered by the agency, or that has otherwise been identified and brought to the attention of the agency, would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed action.

### *3. Potential Cost to Local and State Agencies*

As stated above, the proposed amendments to the area designations do not contain any requirements for action, and these regulations have no direct economic impact. Therefore, pursuant to Government Code sections 11346.5(a)(5) and 11346.5(a)(6), the Executive Officer has determined that the proposed regulatory action will not create costs or savings to any State agency or in federal funding to the State, costs or mandate to any local agency or school district whether or not reimbursable by the State under Part 7 (commencing with section 17500), Division 4, Title 2 of the Government Code, or other nondiscretionary savings to State or local agencies.

Before taking final action on the proposed amendments to the regulations, ARB must determine that no alternative considered by ARB would be more effective in carrying out the purpose for which the action is proposed or would be as effective as and less burdensome to affected private persons than the proposed action.

### **C. AIR QUALITY AND ENVIRONMENTAL BENEFITS**

The proposed amendments to the area designations do not contain any requirements for action, and therefore, they will not result in any direct air quality or environmental benefits. However, the area designations do label areas with respect to the healthfulness of their air quality.

### **D. ENVIRONMENTAL JUSTICE BENEFITS**

ARB is committed to evaluating community impacts of proposed regulations, including environmental justice concerns. Because some communities experience higher exposures to air pollutants, it is a priority of ARB to ensure that full protection is afforded to all Californians. The proposed amendments to the area designations do not contain any requirements for action. However, the area designations are designed to identify areas with unhealthful air quality, based on the most recently available complete data.

### **E. IMPACTS FOR LOCAL DISTRICTS**

State law requires districts and ARB to make a coordinated effort to protect and enhance the ambient air quality (H&SC sections 39001 through 39003). As part of this effort, the districts must adopt rules and regulations sufficiently effective to achieve and maintain the State standards (H&SC sections 40001 and 41500). These requirements, if determined necessary, will result in improved air quality in communities throughout the State, resulting in lower potential health risks.

### **F. PURPOSE, BENEFITS, AND GOALS**

*Protecting the health, safety, and welfare of the public.* The designations provide labels indicating the healthfulness of the current air quality throughout the State. These labels allow the public to make better informed decisions regarding their personal health, safety, and welfare.

*Safeguarding the quality of the physical environment.* This goal is to be accomplished by an intensive, coordinated State, regional, and local effort to protect and enhance the ambient air quality of the State. ARB and the districts have coordinated their efforts in obtaining and reviewing air quality monitoring data, identifying highly irregular or infrequent events, and evaluating meteorological, topographical, and other data relating to the characteristics of population or emissions. This coordinated effort has resulted in the proposed amendments to the area designations. As the area designations are simply labels that describe the healthfulness of the air quality in each area, the proposed amendments do not contain any requirements for action.

*Encouraging a regional approach to meeting the State ambient air quality standards, whenever possible.* The proposed amendments designate areas as attainment, nonattainment, nonattainment-transitional, or unclassified by pollutant. Where

appropriate, these designations are made for each air basin, district, or sub-region based on meteorological, topographical, and other data relating to the characteristics of population or emissions. This allows each district to identify the most cost-effective, efficient, and acceptable approach to achieve the State ambient air quality standards.

*Consistency with the State goal of providing a decent home and suitable living environment.* As the area designations are simply labels that describe the healthfulness of the air quality in each area, the proposed amendments do not contain any requirements for action. The annual review and update of the area designations provides the public with an indication of whether the health-based standards are being met. This information allows the public to make more educated decisions regarding personal residency.

#### **G. OTHER IMPACTS AND BENEFITS**

The annual review and update of the area designations gives the public, businesses, and government an indication of whether the health-based standards are being met. This information allows the public to make more educated decisions regarding personal health and residency, as well as participation in outdoor activities. This information also allows businesses and government the opportunity to make better informed decisions regarding worker health and safety.