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Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer

CONTACT: Ben Ellenberger, TEA Division Manager (961-8879)

SUBJECT: Adoption of the 2016 Ozone Plan

RECOMMENDATION:

- A. Hold a public hearing to receive public testimony on the 2016 Ozone Plan and the Addendum to the Final Environmental Impact Report for the 2010 Clean Air Plan;
- B. Approve the resolution included as Attachment 1. This resolution contains the following action items:
 - B.1 Find that, prior to approving the 2016 Ozone Plan, Board members have reviewed and considered the Addendum to the Final Environmental Impact Report for the 2010 Clean Air Plan with the Final Environmental Impact Report for the 2010 Clean Air Plan;
 - B.2 Adopt the California Environmental Quality Act Findings;
 - B.3 Adopt the 2016 Ozone Plan;
 - B.4 Commit the Board to adopting the proposed regulations in the 2016 Ozone Plan;
 - B.5 In the event that the District's designation for the state ozone standard is changed to nonattainment-transitional, commit the District to reviewing the 2016 Ozone Plan and determining whether the control measures scheduled for adoption or implementation within the next three years are needed; and

- B.6 Authorize the Control Officer to transmit the 2016 Ozone Plan to the California Air Resources Board and do all other acts necessary and proper to obtain approval of the 2016 Ozone Plan.

BACKGROUND:

The California Clean Air Act of 1988 established air quality planning requirements for regions that did not meet state ambient air quality standards. The Santa Barbara County Air Pollution Control District (District) was classified as a moderate nonattainment area for the state ozone standard at that time, and prepared its first Air Quality Attainment Plan in 1991. Ozone is not directly emitted to the atmosphere; it is formed through complex chemical reactions involving precursor pollutants (reactive organic compounds, or ROC, and nitrogen oxides, or NOx) in the presence of heat and sunlight. The District's 1991 Air Quality Attainment Plan included a comprehensive evaluation of the sources of emissions, projections of emissions into the future, and a suite of measures that were designed to reduce ROC and NOx emissions from a variety of sources, including stationary and mobile sources, both onshore and offshore of Santa Barbara County. As required by state law, the 1991 Air Quality Attainment Plan has been updated on a triennial basis. The 2016 Ozone Plan is the eight such update.

DISCUSSION:

Our efforts to improve air quality through both voluntary and regulatory means have yielded impressive results. However, Santa Barbara County does not yet meet the state ozone standard. Therefore, as required by the California Health and Safety Code, we have prepared this 2016 Ozone Plan (2016 Plan). As with prior plans, the 2016 Plan takes a comprehensive look at sources of air pollution and proposes feasible measures to keep our region on the path towards attainment of the state standard.

The specific planning requirements and a summary of the plan contents are discussed below.

Planning Mandates

The 2016 Plan complies with the planning mandates outlined in the California Clean Air Act of 1988. The key requirements of the California Clean Air Act addressed in this plan are the *Triennial Progress Report* (Health & Safety Code Section 40924(b)) and the *Triennial Plan Revision* (Health & Safety Code Section 40925(a)).

Section 40924(b) requires the District to assess its air quality control program every three years, starting in 1994. This assessment must address the expected and revised emission reductions for the previous three-year period. The report must also include an assessment of progress based on monitored pollutant levels and air quality indicators.

Section 40925(a) requires the District to review and revise its attainment plan at least once every three years. The review and revisions are to correct for any deficiencies in meeting the interim measures of progress incorporated into the plan pursuant to Section 40914 (emission reductions), and to incorporate new data or projections.

Section 40925.5(a) includes a provision for air districts that are very close to meeting a state air quality standard. Under this provision, a district may be designated “nonattainment-transitional” if there was a very clean year of data. The District experienced such a year in 2015, with only two ozone exceedance days. However, the official change in designation will not occur if 2016 shows more than three exceedances at any one monitoring location (California Code of Regulations Title 17, Section 70303.5(a)). If designated nonattainment-transitional, the District will review the control measure implementation schedule and determine if additional measures are needed to attain the standard.

2016 Ozone Plan Content

The 2016 Plan has five chapters that document our local air quality conditions and progress, and discuss our future control strategy. A brief summary of each chapter is provided below.

Chapter 1 – Introduction

This chapter summarizes the purpose of the 2016 Plan, current California planning requirements that apply to Santa Barbara County, and provides highlights of the different plan elements.

Chapter 2 – Local Air Quality

Chapter 2 answers the question, “*How is our air?*” in the context of the state ozone standard. It provides historical peak ozone concentrations and other air quality indicators required by the State. It also includes a comparison of ozone levels to historical population growth in the county. It highlights the declining trend of state 8-hour ozone standard exceedances (from 97 in 1991 to 2 in 2015), and describes how the State determines whether a region has attained the ozone standard.

This chapter also includes discussion of the potential for our region to be designated as “nonattainment-transitional” by the State, meaning that we have not yet attained the standard but we are very close. As of this writing, the State has not yet determined whether our designation will change to from *nonattainment* to *nonattainment-transitional*.

Chapter 3 – Emission Inventory

This chapter presents the baseline inventory and forecasted future NO_x and ROC emission inventories. The emission inventories account for the types and amounts of pollutants emitted from a wide variety of sources, including on-road motor vehicles and other mobile sources, fuel combustion at industrial facilities, solvent and surface coating usage, and consumer product usage.

The future inventories (2025 and 2035) account for growth and emission control measures. Our forecasts show significant decreases in NO_x over time, with ROC levels remaining relatively level or increasing slightly in some source categories. The NO_x decreases are primarily driven by stringent California clean engine standards for motor vehicles (both on- and off-road).

Emissions from marine vessels continue to dominate the NO_x emission inventory. This chapter includes a discussion of air quality impacts from marine shipping, and how the emissions are expected to change over time due to federal and international regulations and other variables.

Chapter 4 – Stationary Source Emission Control Measures

As required by the State, District staff took a fresh look at the stationary source control measures that were proposed for adoption in the previous plan, and evaluated which control measures were feasible for the next three years. Staff compared the District's rules to those of other California air districts, reviewed new information and guidance documents, and considered the magnitude of the emission reductions as well as cost-effectiveness of the measures. Chapter 4 classifies control measures as follows: recently adopted, proposed, further study, and contingency. There are six proposed control measures and three measures identified for further study. All of the measures proposed for adoption were identified in prior adopted Plans. These measures are projected to result in emission reductions of 105 tons per year of ROC and 36 tons per year of NO_x.

Should the District be designated nonattainment-transitional for the state ozone standard, as discussed in Chapter 2, the District may refine the proposed schedule for adoption of control measures, as some of the measures may no longer be necessary to attain and maintain the standard.

Chapter 5 – On-Road Emissions and Transportation Control Measures

Chapter 5 includes an inventory of on-road mobile source emissions for the baseline year and future forecast years 2025 and 2035. The Santa Barbara County Association of Governments (SBCAG) prepares these estimates and projections and evaluates transportation control measures (TCMs) as laid out in a long-standing Memorandum of Understanding (MOU) between the District and SBCAG. Chapter 5 includes a discussion of the previously adopted transportation control measures (TCMs) and highlights of TCMs that were implemented during the previous three years. In preparing Chapter 5, SBCAG staff considered whether additional TCMs should be proposed for adoption as part of the plan update. No new TCMs were proposed as part of this plan; however, numerous agencies throughout the county will continue to implement the adopted TCMs as they introduce transportation-related projects and programs in their respective communities.

Also included in Chapter 5 is a discussion of strategies to reduce emissions from marine shipping activities offshore of Santa Barbara County. The District has engaged with a broad stakeholder group and continues to partner with other agencies to pursue creative approaches to reducing the amount of pollution from marine shipping. One such strategy that has achieved success is vessel speed reduction.

2016 Plan Process

Community Advisory Council Process

The Community Advisory Council (CAC) was established by your Board to review District rules and plans. District staff met with the CAC on three occasions to review different elements of the plan, discuss them, and receive feedback. Members were provided documents for review in advance of each meeting.

In March of 2016, District staff presented an overview of the plan process, as well as a draft of the stationary source control measures that were being considered for inclusion in the plan. The CAC received a presentation from staff at the meeting, and had an opportunity to discuss the control measures and provide feedback to staff during and after the meeting. The control measures were presented early in the process to ensure that the CAC had ample time to review the measures and provide input. These measures were eventually included as Chapter 4 of the plan.

In June of 2016, drafts of Chapters 1, 2, 3, 5 and appendices were reviewed with the CAC. District staff provided a presentation on the first three chapters, and SBCAG staff presented on Chapter 5 - on-road emissions and TCMs. Once again, there was discussion at the CAC meeting and CAC members were asked to provide feedback after the meeting. The district received verbal questions and comments on these chapters at the meeting and also received written feedback and requests for clarifications after the meeting. As a result of this feedback, numerous revisions and clarifications were made to the text, tables, and figures in the draft chapters.

In August of 2016, a final draft of the 2016 Ozone Plan was reviewed by the CAC. CAC members discussed the draft plan, asked for additional clarifications and revisions, and made a recommendation that the District Board adopt the plan. Several minor revisions and updates were made to the plan after the August 2016 CAC meeting. Those revisions are included as Attachment 2 to this letter.

Public Process

On September 4, 2016 the Draft 2016 Ozone Plan was released for public review and comment. A public notice for the Board adoption hearing was published in the Santa Barbara News Press and copies of the draft plan were made available for review at the District offices and on the District website at www.ourair.org. Public comments on the plan were requested by October 3, so that they could be included in the Board packet; however, public comments can be submitted up to and during the public hearing on October 20, 2016. As of this writing, no public comments were received on the 2016 Plan.

Compliance with the California Environmental Quality Act

Pursuant to California Environmental Quality Act Guidelines section 15164, the District prepared an Addendum to the Final Environmental Impact Report (EIR) for the 2010 Clean Air Plan (State Clearing House No. 2010071014). The Addendum documents that no new impacts, above and beyond those that were analyzed in the 2010 Clean Air Plan EIR, are anticipated to occur with implementation of the 2016 Ozone Plan, and no new mitigation is required. The Addendum, as well as the Final EIR for the 2010 Clean Air Plan¹, are included as attachments to the resolution.

Conclusion

Your Board's action on the 2016 Ozone Plan fulfills requirements of the California Clean Air Act of 1988, will further our efforts to meet the state ozone standard, and will help clean Santa Barbara County's air for the benefit of the community. This document reflects the ongoing commitment of your Board, District staff, SBCAG, the CAC, the California Air Resources Board, local businesses, community partners, and the community-at-large to reduce air pollution and provide for clean air in Santa Barbara County.

As laid out in the Board resolution, if the District's designation for the state ozone standard changes to nonattainment-transitional, the District will need to take a closer look at the 2016 Plan's implementation schedule, and possibly delay implementation of control measures if they are not deemed necessary.

ATTACHMENTS:

- 1) District Board Resolution for the 2016 Ozone Plan, which includes the following:
 - A. Addendum to the 2010 Clean Air Plan EIR
 - B. Final EIR for the 2010 Clean Air Plan
 - C. California Environmental Quality Act Findings
 - D. Draft 2016 Ozone Plan
- 2) August 2016 CAC Requested Changes to the 2016 Ozone Plan

¹ Due to its length, the 2010 Clean Air Plan EIR is included as a CD rather than as a paper version.