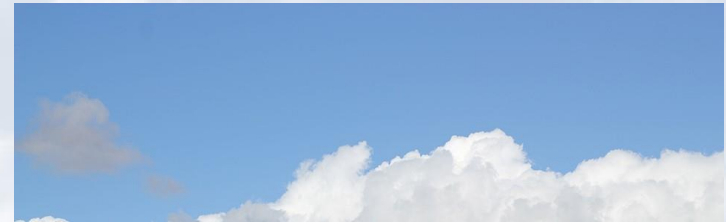


Nonattainment-Transitional Analysis

February 2017 Report to the District Community Advisory Council

Molly Pearson
Planning & Grants Supervisor
February 8, 2017

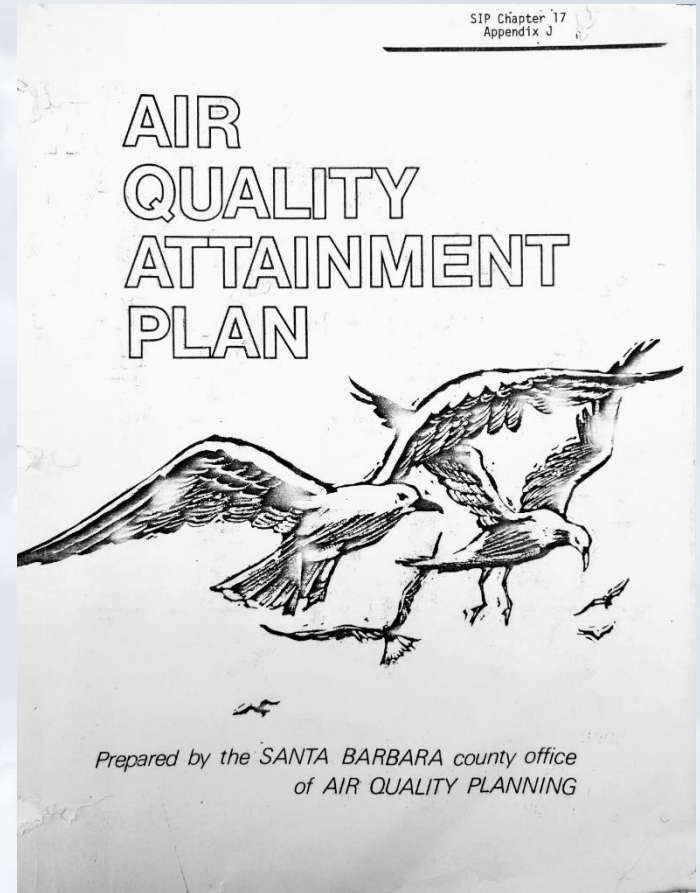


Presentation Overview

- Air Quality in Santa Barbara County
- Nonattainment-Transitional Designation
- Emission Inventory Data
- Control Measures in the 2016 Plan
- Range of Options for CAC Consideration
- Staff Recommendation and Next Steps
- Questions, Discussion, CAC Recommendation

Ozone Air Quality in SB County

- Historically, District was nonattainment for both state and federal ozone standards
- Developed numerous attainment plans, triennial update schedule
- **Federal standard:** expect to be attainment, later this year
- **State standard:** Continuous decline in measured values, but 8-hr standard is still exceeded under certain conditions



Air Quality Data

Monitor Location	Number of Days > State 8-Hour Standard					
	2011	2012	2013	2014	2015	2016
Las Flores Canyon	2	4	1	4	2	1
Paradise Road	3	2	2	1	0	1
Carpinteria	1	1	1	7	0	0
El Capitan	1	0	0	1	0	2
Vandenberg AFB	0	0	1	3	0	0
Santa Barbara	1	0	0	3	0	1
Goleta	1	0	0	3	0	1
Gaviota - Nojoqui	2	0	0	2	0	0
Santa Ynez	1	0	0	0	0	0
Lompoc HS&P	2	0	1	1	0	0
Lompoc H St.	0	0	0	1	0	0
Santa Maria	0	0	0	0	0	0
<i>Total Exceedance Days*</i>	3	5	3	10	2	3

*Total Exceedance Days indicates the number of days within a year where an exceedance was measured in at least one monitoring location in Santa Barbara County.

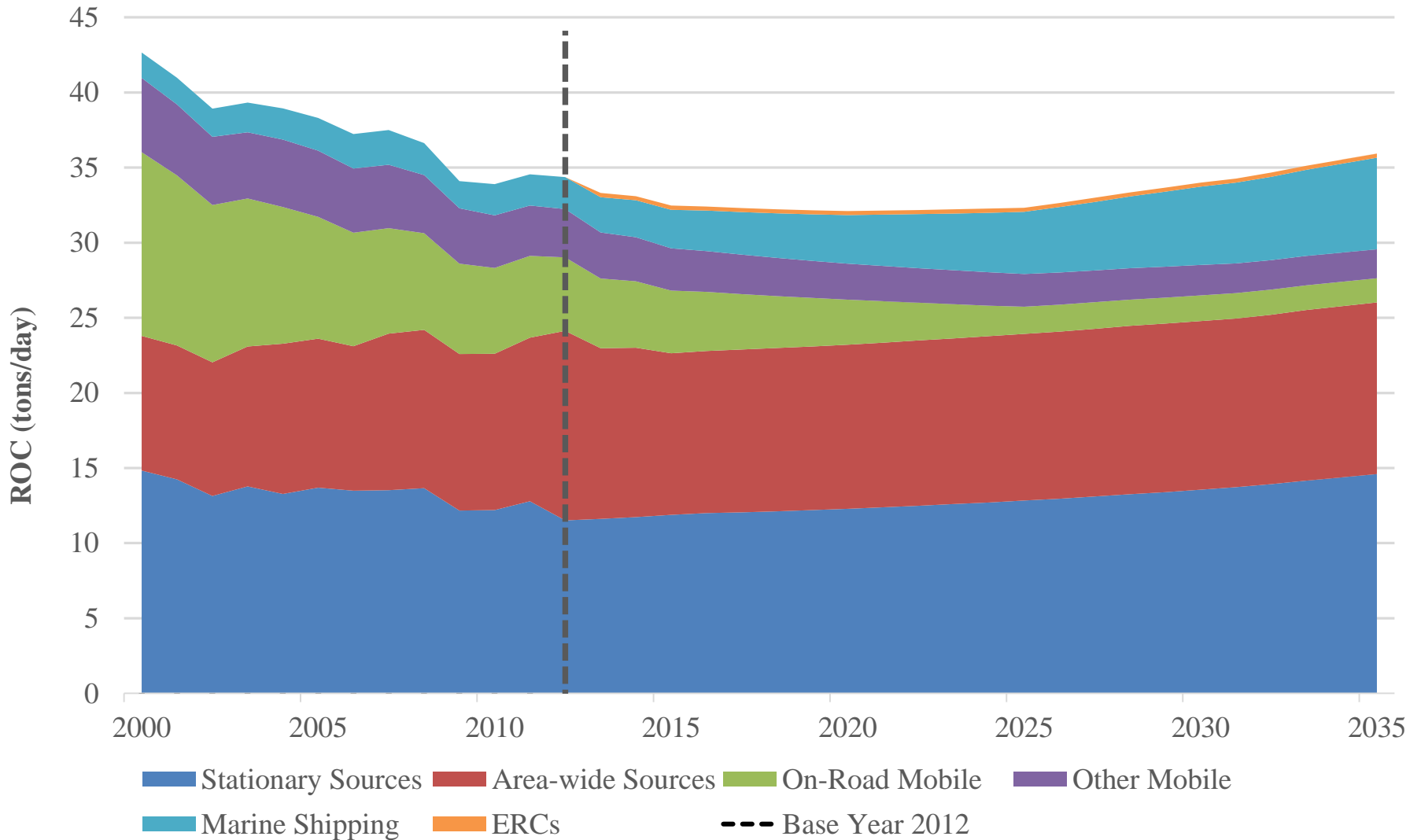
Nonattainment-Transitional

- The 2016 Ozone Plan was developed as required by the California Clean Air Act
- Identified a schedule for implementing additional control measures to attain and maintain the ozone standard
 - Feasible
 - Cost-effective
 - Expeditious schedule
- Based on recent ozone concentrations, we will be designated nonattainment-transitional (finalized in early- to mid-2017)
- Requires us to re-evaluate the implementation schedule for control measures in the 2016 Ozone Plan (CA HSC 40925.5)
 - Additional analysis if/when new control measures are adopted (CA HSC 40930)

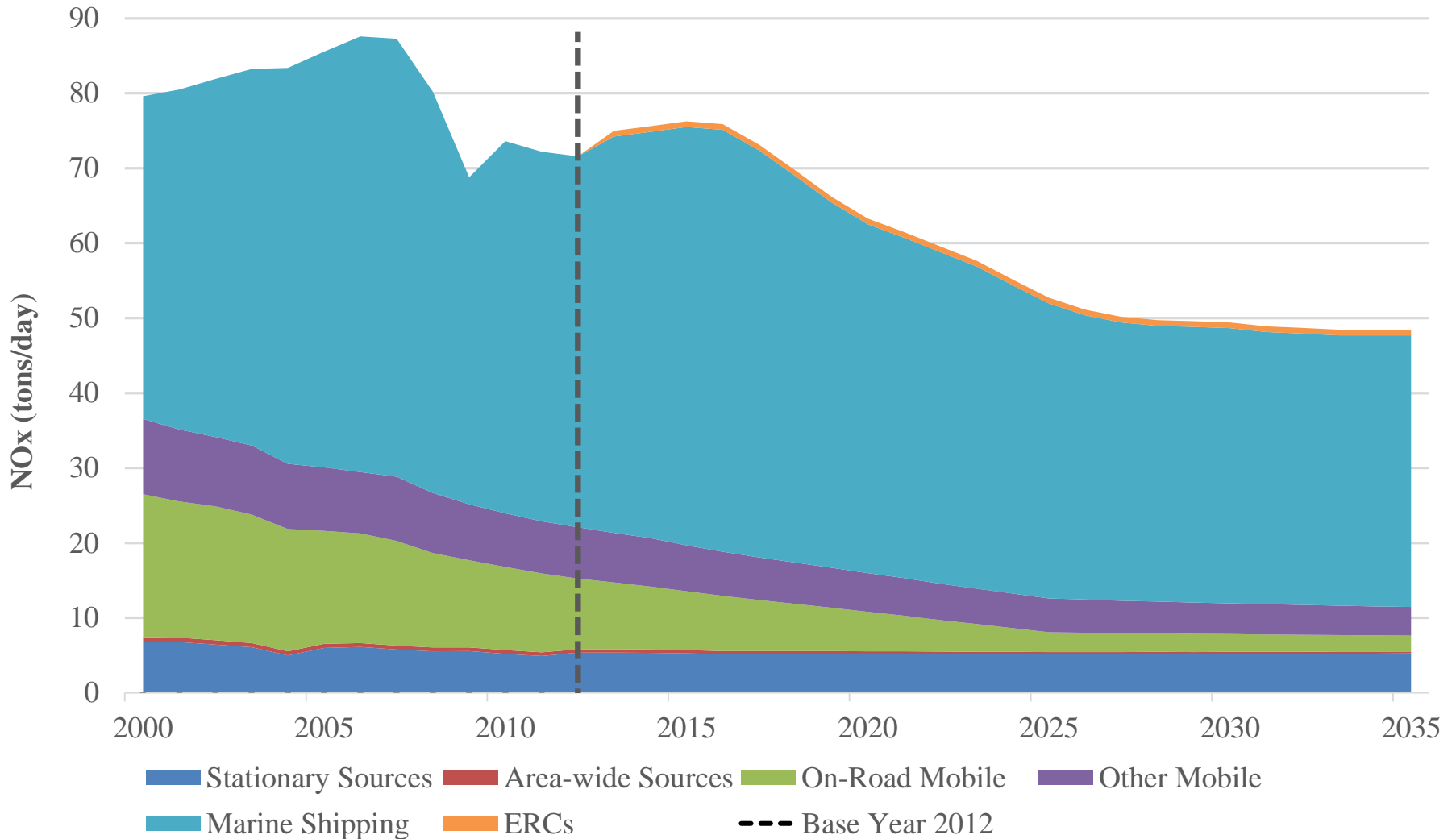
Emission Inventory and Projections

- The 2016 Ozone Plan includes both historical and future projected emissions from a 2012 “base year”
- Ozone precursors ROC and NOx
- Includes all adopted measures
- Reflects growth in population, industrial/commercial activities where appropriate
- Does not include proposed measures

ROC Emission Inventory



NOx Emission Inventory



Control Measures in the 2016 Plan

- Stationary source control measures
 - Three focused on NO_x reductions in combustion units
 - Three focused on ROC reductions from solvents and coatings
- Existing permit program, BACT and offset requirements, and adopted rules remain in place

Control Measures

2016 Ozone Plan Stationary Source Control Measures	Cost-Effectiveness (\$/Ton)
NOx reductions Revised Rule 360 - Boilers, Water Heaters, and Process Heaters (0.075 - 2 MMBtu/hr)	\$2,800 to \$11,300
NOx reductions Revised Rule 361 - Boilers, Steam Generators, and Process Heaters (2 - 5 MMBtu/hr)	\$13,100 to \$17,300
NOx reductions Revised Rule 342 - Boilers, Steam Generators, and Process Heaters (5+ MMBtu/hr)	\$8,700 to \$21,000
ROC reductions Revised Rule 321 - Solvent Cleaning Machines and Solvent Cleaning	\$0 to \$1,000
ROC reductions Revised Rule 351 - Surface Coating of Wood Products	\$1,000 to \$2,000
ROC reductions Revised Rule 354 - Graphic Arts	\$1,000 to \$3,100

Options for Consideration

Staff identified three options:

1. Stay with the implementation schedule in the 2016 Ozone Plan
2. Proceed with NOx measures only; shift ROC measures to contingency status
3. Delay all measures until next plan cycle (2019)

Option 1: 2016 Plan Schedule

Rule	Description	2016 Plan Adoption Schedule	2016 Plan Cost-Effectiveness (\$/Ton)	Estimated Number of Units Affected	2016 Plan Emission Reductions, Tons/Day (Tons/Year)	
					ROC	NO _x
360	Boilers, Water Heaters, and Process Heaters (0.075 - 2 MMBtu/hr) Revisions to reduce the NOx limits to 20 ppmv at 3% oxygen for newly installed natural gas fired units.	2017	\$2,800 to \$11,300	1,770	-	0.05 (19.8)
361	Boilers, Steam Generators, and Process Heaters (2 - 5 MMBtu/hr) Revisions to reduce the NOx limits to 9 or 12 ppmv at 3% oxygen for newly installed natural gas fired units. Higher limits for other fuels.	2017	\$13,100 to \$17,300	160	-	0.03 (10.42)
342	Boilers, Steam Generators, and Process Heaters (5+ MMBtu/hr) Revisions to reduce the NOx limits to 9 or 15 ppmv at 3% oxygen for newly installed natural gas fired units. Higher limits for other fuels.	2017	\$8,700 to \$21,000	42	-	0.02 (6.36)
321	Solvent Cleaning Machines and Solvent Cleaning Revisions to lower the general cleaning ROC limit from 50 grams per liter to 25 g/L.	2018	\$0 to \$1,000	150	0.02 (6.35)	-
351	Surface Coating of Wood Products Revisions to include solvent cleaning provisions at 25 g/L.	2018	\$1,000 to \$2,000	4	0.001 (0.42)	-
354	Graphic Arts Revisions to include solvent cleaning provisions at 25 – 100 g/L and additional requirements for Rotogravure, Flexographic, Lithographic, Letterpress, and Screen Printing operations. Existing facilities would have to be permitted to enforce the rule.	2019	\$1,000 to \$3,100	75	0.27 (98.21)	-
Totals:					0.29 (104.98)	0.10 (36.58)

Option 2: NOx measures only

Rule	Description	2016 Plan Adoption Schedule	2016 Plan Cost-Effectiveness (\$/Ton)	Estimated Number of Units Affected	2016 Plan Emission Reductions, Tons/Day (Tons/Year)	
					ROC	NO _x
360	Boilers, Water Heaters, and Process Heaters (0.075 - 2 MMBtu/hr) Revisions to reduce the NOx limits to 20 ppmv at 3% oxygen for newly installed natural gas fired units.	2017	\$2,800 to \$11,300	1,770	-	0.05 (19.8)
361	Boilers, Steam Generators, and Process Heaters (2 - 5 MMBtu/hr) Revisions to reduce the NOx limits to 9 or 12 ppmv at 3% oxygen for newly installed natural gas fired units. Higher limits for other fuels.	2017	\$13,100 to \$17,300	160	-	0.03 (10.42)
342	Boilers, Steam Generators, and Process Heaters (5+ MMBtu/hr) Revisions to reduce the NOx limits to 9 or 15 ppmv at 3% oxygen for newly installed natural gas fired units. Higher limits for other fuels.	2017	\$8,700 to \$21,000	42	-	0.02 (6.36)
321	Solvent Cleaning Machines and Solvent Cleaning Revisions to lower the general cleaning ROC limit from 50 grams per liter to 25 g/L.	Contingency Measure	\$0 to \$1,000	-	-	-
351	Surface Coating of Wood Products Revisions to include solvent cleaning provisions at 25 g/L.	Contingency Measure	\$1,000 to \$2,000	-	-	-
354	Graphic Arts Revisions to include solvent cleaning provisions at 25 – 100 g/L and additional requirements for Rotogravure, Flexographic, Lithographic, Letterpress, and Screen Printing operations. Existing facilities would have to be permitted to enforce the rule.	Contingency Measure	\$1,000 to \$3,100	-	-	-
Totals:					-	0.10 (36.58)

Option 3: Shift all measures to contingency

Rule	Description	2016 Plan Adoption Schedule	2016 Plan Cost-Effectiveness (\$/Ton)	Estimated Number of Units Affected	2016 Plan Emission Reductions, Tons/Day (Tons/Year)	
					ROC	NO _x
360	Boilers, Water Heaters, and Process Heaters (0.075 - 2 MMBtu/hr) Revisions to reduce the NOx limits to 20 ppmv at 3% oxygen for newly installed natural gas fired units.	Contingency Measure	\$2,800 to \$11,300	-	-	-
361	Boilers, Steam Generators, and Process Heaters (2 - 5 MMBtu/hr) Revisions to reduce the NOx limits to 9 or 12 ppmv at 3% oxygen for newly installed natural gas fired units. Higher limits for other fuels.	Contingency Measure	\$13,100 to \$17,300	-	-	-
342	Boilers, Steam Generators, and Process Heaters (5+ MMBtu/hr) Revisions to reduce the NOx limits to 9 or 15 ppmv at 3% oxygen for newly installed natural gas fired units. Higher limits for other fuels.	Contingency Measure	\$8,700 to \$21,000	-	-	-
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351	Surface Coating of Wood Products Revisions to include solvent cleaning provisions at 25 g/L.	Contingency Measure	\$1,000 to \$2,000	-	-	-
354	Graphic Arts Revisions to include solvent cleaning provisions at 25 – 100 g/L and additional requirements for Rotogravure, Flexographic, Lithographic, Letterpress, and Screen Printing operations. Existing facilities would have to be permitted to enforce the rule.	Contingency Measure	\$1,000 to \$3,100	-	-	-
Totals:					-	-

The Case for NOx Reductions

- Both VOC and NOx are involved in ozone formation
- Extensive photochemical modeling has been done in California air basins
- In “NOx-limited” air basins, NOx reductions are more effective at reducing ozone
- Examples: South Coast, San Joaquin Valley

Staff Recommendation – Option 2

- Modeling in other regions has shown that reducing NOx is critical to reducing ozone.
- Additional NOx reductions will help ensure that we attain and maintain the ozone standard.
- Implementing cost-effective control measures is aligned with our mission to protect public health.
- The NOx control measures have been revised in such a way as to minimize their economic impact on businesses.

Recommendation for Option 2 (cont'd)

- The NOx measures involve long-term investments in cleaner combustion technology, so that anticipated reductions will continue to occur (in most cases, for decades).
- Other state and federal “proposals” may reduce ozone precursors; however, there are no assurances that they will be implemented.
- The federal ozone standard is now set at a similar level as the state; help avoid a situation where both the state and federal standards are exceeded in the future.

Next Steps

- Questions and Discussion
- CAC recommendation
- Bring to District Board, along with justification document for recommended action