To: Jim Provenza, Chair

and Members of the Board of Directors

From: Mat Ehrhardt, P.E., Executive Director/APCO

Date: June 9, 2021

Subject: Certification that the Yolo-Solano Air Quality Management District's (District's)

Nonattainment New Source Review (NNSR) program meets the requirements for the implementation of the 2015 ozone National Ambient Air Quality Standard (NAAQS)

#### **Recommended Action**

1. Hold a public hearing, and receive comments.

- 2. Certify that the District's NNSR program meets the requirements for the implementation of the 2015 ozone NAAQS.
- 3. Authorize the APCO to submit Notices of Exemption in compliance with Section 15062 of the California Code of Regulations to Yolo and Solano Counties.

#### **Background**

Effective August 3, 2018, the U.S. EPA designated areas throughout the country as nonattainment for the 2015 Ozone National Ambient Air Quality Standards (NAAQS) and established classifications for the designated nonattainment areas. The Sacramento Metro area (which includes our District) was classified as "moderate" nonattainment for the 2015 8-hour Ozone NAAQS. Air districts in the Sacramento Federal Non-attainment Area petitioned EPA to re-classify the area as "serious" non-attainment to better align with the attainment date of the less-stringent 2008 Ozone NAAQS.

The Clean Air Act (CAA) requires that areas classified as moderate nonattainment or higher must develop an attainment plan and must have certain program elements including a NNSR program, which is a preconstruction review permit program that applies to new major stationary sources or major modifications at existing major sources located in a nonattainment area. NNSR includes requirements for emissions offsets, lowest achievable emission rate (LAER) which is the federal equivalent to California Best Available Control Technology (BACT), and opportunity for public participation. The offset requirements and major source thresholds are more stringent for each higher ozone nonattainment classification.

Our District (as well as the other 4 districts in the region) are currently working to adopt the Sacramento Regional 2015 NAAQS 8-Hour Ozone Attainment Plan. The plan will be submitted to ARB to be forwarded to EPA for approval.

The specific NNSR requirements for the 2015 ozone NAAQS are located in 40 CFR § 51.165. U.S. EPA's rule entitled "Implementation of the 2015 National Ambient Air Quality Standards for Ozone: Nonattainment Area State Implementation Plan Requirements" (83 FR 62998, December 6, 2018) explained that, for each nonattainment area, a NNSR plan or plan revision is due no later than three years after the effective date of area designations for the 2015 standards (i.e., August 3, 2021).

#### Certification

In order to document that our existing NNSR program meets the requirements for the implementation of the 2015 ozone standard, set forth in § 182(d)(2) of the CAA for Moderate nonattainment areas, the District has completed a table showing the elements of 40 CFR 51.165 and the corresponding section of the Districts rules implementing the requirement. This 'checklist' format was provided to the District by EPA Region IX.

### Public Outreach

This public hearing to certify our NNSR program was publicly noticed in the Vacaville Reporter, the Davis Enterprise, and the Woodland Democrat 30 days in advance of the hearing in order to satisfy the requirements of the Clean Air Act (40 CFR 51.102). In addition, the notice was posted on the YSAQMD webpage.

#### **Budget Impacts**

No budget impacts are expected.

#### Attachments:

- Certification checklist
- Notices of Exemption

# <u>Certification that Yolo-Solano's Existing NNSR Program meets the 2015 Ozone NAAQS SIP</u> <u>Requirements Rule</u>

The Yolo-Solano Air Quality Management District is certifying that our existing NNSR program, contained in Rule 3.4 – New Source Review, covering the Yolo-Solano portion of the Sacramento Federal ozone nonattainment area for the 2015 ozone NAAQS, is at least as stringent as the requirements at 40 CFR 51.165 for ozone and its precursors, as amended by the final rule titled Implementation of the 2015 National Ambient Air Quality Standards for Ozone: Nonattainment Area State Implementation Plan Requirements (83 FR 62998, December 6, 2018).

The requirements necessary to appropriately implement YSAQMD's NNSR program are included, but not limited to the following:

Checklist: 2015 Ozone NAAQS NNSR SIP Requirement						
40 CFR 51.165	YSAQMD District Rule					
(a)(1)(iv)(A)(1)(i)-(iv) and (2): Major source thresholds for ozone – VOC and NOx	Rule 3.4, Section 222.1 and 222.2					
(a)(1)(iv)(A)(3): Change constitutes a major source by itself	Rule 3.4, Section 222.1 and 222.2					
(a)(1)(v)(E): Significant net emissions increase of NOx is significant for ozone	Rule 3.4, Section 229					
(a)(1)(v)(F): Any emissions change of VOC in Extreme area triggers NNSR	N/A					
(a)(1)(x)(A)-(C) and (E): Significant emissions rates for VOC and NOx as ozone precursors	Rule 3.4, Section 221					
(a)(3)(ii)(C)(1)-(2): Provisions for emissions reduction credits	Rule 3.14 (locally this rule has been renumbered to Rule 3.5), Section 201					
(a)(8): Requirements for VOC apply to NOx as ozone precursors	Rule 3.4, Section 205 and 229					
(a)(9)(i)-(iii): Offset ratios for VOC and NOx for ozone nonattainment areas [subparagraphs (a)(9)(i)-(iii) were changed to (a)(9)(ii)-(iv)]	Rule 3.4, Section 303					
(i) Public participation requirements	Rule 3.4, Section 406					

## **Notice of Exemption**

To:  Office of Planning and 1400 Tenth Street, R Sacramento, CA 958  County Clerk County of Yolo 625 Court Street Rock Woodland, CA 9569				eet, Roon					
					105		County Clerk Solano County 600 Texas Street Fairfield, CA 94533		
From:		1947 G		ourt, Suite	Management [ e 103	District			
Project	Title:		Certifica	ation of N	Nonattainmen	t New So	urce Review (NNSR) program		
Project Location: Yolo-Solano Air					Quality Manag	ement D	istrict		
•				ments fo	or the implem	•	t the District's NNSR program meets the of the 2015 ozone national ambient air		
Name o		Ministe Emerge Categor Protect	erial ency Proj rical Exe	ject mption (i	t <b>Project:</b> CEQA Guidelin	Yolo-So	plano Air Quality Management District plano Air Quality Management District		
Reason why project is exempt:					The certification of the District's NNSR program is an action taken to maintain and protect the environment and is therefore exempt from CEQA because it constitutes a Class 8 categorica exemption pursuant to CEQA Guidelines 15308.				
	gency Co one Nun	ontact Ponber:	erson:	Mat Ehr (530) 75	hardt, Air Polli 7-3650	ution Cor	ntrol Officer		
Signatu	ıre:				Date:		Title:		

## **Notice of Exemption**

To:  Office of Planning and 1400 Tenth Street, Roc Sacramento, CA 9581  County Clerk County of Yolo 625 Court Street Room Woodland, CA 95695					om 121				
					105		County Clerk Solano County 600 Texas Street Fairfield, CA 94533		
From:			ilileo Co	urt, Suite	Management I e 103	District			
Project	Title:		Certific	ation of I	Nonattainmen	t New So	ource Review (NNSR) program		
Project Location: Yolo-Solano Ai					Quality Manag	gement D	District		
					or the implem	-	at the District's NNSR program meets of the 2015 ozone national ambient		
Name o	of Person t Status:	Minister Emerger Categor Protecti	ncy Carr rial ncy Proj ical Exe on of th	rying Out lect mption ( le Enviro	<b>t Project:</b> CEQA Guidelir	Yolo-So	olano Air Quality Management District olano Air Quality Management District on 15308, Action by Regulatory Agency	t	
		Statutor	y Exem	ption					
Reason why project is exempt:					The certification of the District's NNSR program is an action taken to maintain and protect the environment and is therefore exempt from CEQA because it constitutes a Class 8 categorica exemption pursuant to CEQA Guidelines 15308.				
	gency Co one Nur	ontact Pe nber:	erson:	Mat Ehr (530) 75	hardt, Air Poll 57-3650	ution Cor	ntrol Officer		
Signatu	ıre:				Date:		Title:		