

SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT MEDIA RELEASE

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Valley residents face tough air quality choices ***Governing Board discusses voluntary change in air quality designation***

During the monthly Governing Board meeting today, the San Joaquin Valley Air Pollution Control District held a public forum to discuss voluntarily asking the U.S. Environmental Protection Agency (EPA) to downgrade the Valley's ozone designation from severe to extreme. This is the poorest air pollution classification possible for ozone, the main component of smog, and it would make the San Joaquin Valley only the second area in the United States with this designation.

This informational item was intended for discussion only and the Board did not take action nor reach a final decision on this matter. A public workshop on this issue will be scheduled later this spring and the District encourages participation from all stakeholders. Final Board decision on whether to pursue a new designation or remain classified as a severe nonattainment air basin is likely to occur at public Governing Board meeting this summer.

To commence the discussion today, Air Pollution Control Officer David L. Crow addressed the Board. He made it clear that the discussion whether to pursue an extreme designation is not prompted by a delay to implement any air pollution controls. Rather, it is motivated by the desire to avoid costly and unproductive sanctions that would result if the Valley failed to meet the 2005 attainment deadline established under the severe designation.

"I want to emphasize that any choice between "severe" or "extreme" designation has to do exclusively with Clean Air Act sanctions and attainment deadlines 2005 versus 2010. This classification title has nothing to do with our District efforts to improve the Valley's air quality. Irrespective of which course is selected, your Board will continue to consider measures that improve air quality. We will propose such measures at as rapid a pace as possible and the benefits will continue to accrue," Crow said.

In response to questions on which designation would result in cleaning the air faster, Crow reiterated that neither classification would render faster improvements than the other.

Any change in the deadline by which the Valley must comply with ozone standards would not alter the Valley Air District's efforts to implement future controls nor the pace in which they are implemented. The Valley Air District has committed to adopting or revising over a dozen rules in 2002 and 2003. As an example, today the Board adopted amendments to Rule 4703 for stationary gas turbines. These amendments would further reduce smog-forming emissions by 5.4 tons per day - 57 percent - when fully implemented.

During the discussion, several of the Board members expressed dismay and frustration over the District's legal inability to control cars and trucks, the majority of emission sources in the Valley.

"It is virtually impossible for the Valley Air District to single-handedly adopt enough control over just businesses to attain the standard. We again challenge our partners, the California Air Resources Board, the EPA, cities and counties to adopt measures with significant vehicle emission reductions to assist us in our efforts," Crow said.

The Board agreed and emphasized the need for additional public involvement in air quality improvements in general, and in the upcoming workshops.

"The District will continue to work with the public, industry, agriculture, state, federal and local governments to identify and discuss all the options. But we need all the players to come to the table and participate if we are to make a decision that best represents everyone's needs," said Governing Board Chair Sam Armentrout.

Background

Although Valley air is still unhealthy, the region has seen noteworthy air quality improvements over the past decade. From 1985 to 1989, the San Joaquin Valley failed the federal one-hour ozone standard an average of 60 days per year. For the most recent period 1996 to 2000, the Valley missed the standard an average of 33 times each year -- a 45 percent improvement. Contributing to these air quality improvements are emission reductions achieved by over 40 regulations adopted by the Valley Air District since the agency formed in 1991.

The District's primary responsibility is to control emissions from stationary sources of pollution, such as businesses and industrial facilities. By 2005, the District's current regulations will reduce emissions by approximately 190 tons per day. This represents a 50 percent reduction from regulated sources since 1990. To date, the Valley Air District has adopted some of the most stringent regulations in the country, including technology-forcing rules for flat glass furnaces, coatings application, and solvent cleaning operations. The District is continuing its rulemaking effort in 2002 and 2003 with tighter standards for glycol dehydration operations, can and coil coatings operations, stationary internal combustion engines and industrial boilers.

Unfortunately, these improvements have not come quickly enough to meet the federal health-based standard for ozone. To meet the standard in 2005, the Valley must reduce emissions by an additional 30 percent beyond previous plan projections, or 300 tons per day. One significant challenge is the District's legal inability to directly control emissions from passenger and heavy-duty vehicles as well as other non-industrial engines such as lawnmowers and boats. These are known as mobile sources. The District has very little authority over mobile sources, which represent 60 percent of the Valley's smog problem. Other state and federal agencies regulate them.

Because the Valley failed to meet its last clean air deadline in 1999, the EPA downgraded the Valley's category for the ozone standard from "serious" to "severe" late last year. As a result, federal law requires that by May 31, 2002 the Air District present the California Air Resources Board (CARB) with a plan, that clearly demonstrates that the Valley will

meet ozone standards by 2005 and a detailed outline of the control measures that will be implemented to do so.

The District has only been able to identify an additional 63 tons per day of the 300 needed by 2005 from the sources that it can control or influence. The CARB and the county transportation planning agencies have not yet quantified the new reductions that they would be able to provide by 2005. These, however, are not expected to be substantial.

Because the District cannot submit an implementation plan that demonstrates attainment for any areas of the Valley by 2005, the Valley faces possible sanctions under the severe nonattainment designation. The most significant penalties would be fines to businesses estimated at \$36 million annually until the Valley reaches attainment, and the loss of \$2.2 billion in federal highway funding until the Valley Air District submits an approvable ozone attainment plan. Finally, without a local plan for ozone attainment by 2005, the federal government could step in and dictate a clean air plan for the Valley. This would take away local control and might include harsh and difficult restrictions such as mandatory no drive days.

This is why the District is discussing pursuing an extreme designation. With this designation, the new attainment date for the Valley would be 2010.

Current EPA and CARB control measures may reduce mobile source emissions by an additional 105 tons per day between 2005 and 2010. This will lower the required reductions by one-third.

The expanded timeframe would allow the District's incentive-based programs to take effect. These programs provide financial incentives for users of heavy-duty engines to implement cleaner alternatives and for Valley residents to purchase hybrid electric-gasoline automobiles. The expanded time frame would also allow the District and CARB time to develop additional realistic, albeit stringent, control measures before submitting the attainment demonstration plan.

There are, however, disadvantages to requesting the extreme designation. These will affect businesses in the Valley and include a lower threshold for businesses that will be required to participate in a federal permitting program, stricter offset requirements, and installation of advanced emission control devices. (It is important to note that industry would eventually face these costs and changes if the Valley remained as a severe area, and was still nonattainment after 2005.) The Valley would also face the stigma of being one of only two regions categorized as extreme. This could negatively impact economic development.

For more information on this issue or the upcoming workshops, interested residents may log onto the District's website at www.valleyair.org <<http://www.valleyair.org>> or call their nearest regional office. In Bakersfield, the number is 661-326-6900; in Fresno, 559-230-5800; and, in Modesto, 209-557-6400.