

**RE: EPA Proposed Partial Approval and Partial Disapproval
Of the PM2.5 State Implementation Plan**

July 2011 Update

Summary:

This is a follow-up to the report provided to the TTC/PAC and Policy Board in February 2011.

In November 2010, EPA proposed to partially approve and partially disapprove the fine particulate (PM_{2.5}) air quality plans for the San Joaquin Valley. This plan, known as the State Implementation Plan (SIP), is the roadmap to meeting, by 2015, the 1997 PM_{2.5} National Ambient Air Quality Standards (NAAQS) set by the U.S. EPA to protect public health. The SIP is prepared by the San Joaquin Valley Air Pollution Control District and California's Air Resources Board (ARB)

The Problem:

EPA cannot fully approve the plan because it relies heavily on emissions reductions from several State rules that have not been finalized or submitted to EPA for review

Specifically EPA's review of the SIP found:

- The State of California needs to submit their rules for EPA review
- The (state) air quality modeling is not well explained
- The VOC (volatile organic compound) controls may be effective for reducing PM 2.5 in the Valley
- Contingency measures need improvement

Next Steps:

In response to EPA's action, California's ARB and the San Joaquin Valley Air Pollution Control District have adopted and submitted rules to EPA, along with additional documentation supporting the PM_{2.5} State Implementation Plan. EPA anticipated issuing a "re-proposal" in May 2011. As of 6/27/2011 no re-proposal has been issued by EPA. The intent of the re-proposal is an opportunity for EPA to fully evaluate the responses that both the local Air District and the California Air Resources Board have provided to EPA.

In order to take a proactive approach, in April 2011 Fresno COG amended the 2011 RTP and 2011 FTIP with a new regional emission analysis completed for the corresponding Conformity Analysis which received Federal approval May 24, 2011. All projects that were able to be move forward were incorporated in the amendments.

The California Air Resources Board announced 6/20/2011 that revised conformity budgets will be considered for approval at the July 21, 2011 ARB public hearing. The eight valley COGs are in the process of reviewing the proposed revised conformity budgets to assess potential impacts to the local conformity process.

PM2.5 Proposed Disapproval
Fresno COG TTC/PAC
July 8, 2011

Worst Case Scenario:

Should EPA proceed to issue a "Final Disapproval"- federally funded plans, projects, and programs could be impacted and subject to conformity issues arising from EPA action, at the earliest, in mid-November 2011.

Updates:

Fresno COG staff will continue to update the committees as new information becomes available.

****A similar issue with the 8-Hour Ozone Plan is anticipated to be addressed by EPA in July or August 2011.

For More Information:

<http://www.epa.gov/region9/air/actions/ca.html>

Indirect Source Review/Conformity
Fresno COG TTC/PAC
July 8, 2011

RE: EPA Final Approval of the San Joaquin Valley Air Pollution Control District Indirect Source Review Rule (Rule 9510) and Associated Transportation Conformity Concerns

June 2011 Update

Summary:

On May 21, 2011 (effective date 6/8/2011) EPA released final approval of the San Joaquin Valley Air Pollution Control District Indirect Source Review Rule (Rule 9510). As part of the final approval, the numeric emission reductions from the Rule were found to not be in the form of a federally enforceable contract, and thus can not be used in transportation conformity budgets.

The Problem:

EPA cannot allow numerical credits for emission reductions achieved from Rule 9510 Indirect Source Review Rule and thus can not be included in the conformity budgets.

Next Steps:

In response to EPA's action, Fresno COG will test the current conformity budgets well in advance of needing to demonstrate transportation conformity to determine the impact of this finding. The emission reductions from Rule 9510 Indirect Source Review Rule are not expected to be sufficient to cause a conformity issue for Fresno COG.

Worst Case Scenario:

Should testing for the conformity budgets with the ISR emission removed cause a conformity issue, Fresno COG would work with the local Air District to address the issue. We anticipate having new conformity budgets early in 2012 , regardless of the ISR impacts.

Updates:

Fresno COG staff will continue to update the committees as new information becomes available.