

**Meeting Date:** 8/26/2021  
**Report Type:** PUBLIC HEARINGS  
**Report ID:** 2021-0826-7.



**Title:** Nonattainment New Source Review Certification for the 2015 Ozone National Ambient Air Quality Standard

**Recommendation:**

Conduct a public hearing and 1) determine that the adoption of the Nonattainment New Source Review Certification is exempt from CEQA and 2) adopt a resolution approving the Nonattainment New Source Review Certification for the 2015 Ozone NAAQS.

**Rationale for Recommendation:**

The federal Clean Air Act requires states and districts in nonattainment areas for the National Ambient Air Quality Standard (NAAQS) for ozone to have a program that implements nonattainment new source review (NNSR) consistent with 40 Code of Federal Regulations (CFR) section 51.165. The District implements the requirements of 40 CFR 15.165 through District Rules 214 – Federal New Source Review, and Rule 217 – Public Noticing Requirements. The requirements of an NNSR program include installation of equipment that meets the lowest achievable emission rate (LAER), emission offsets, and opportunity for public involvement. The NNSR program applies to owners or operators of new and/or modified major stationary sources.

In 2015, the District was designated a moderate nonattainment area for the 2015 primary ozone NAAQS. In May 2020, the districts of the Sacramento Metropolitan Area requested a voluntary reclassification to a serious nonattainment area. The reclassification to serious will set an attainment deadline of August 3, 2027. Federal regulations require the District to submit a revision to the U.S. Environmental Protection Agency (EPA), for approval into the State Implementation Plan (SIP), that meets the federal Clean Air Act requirements of an NNSR program as they apply to the 2015 NAAQS. If a district in a nonattainment area has a previously approved NNSR program in force for a previous ozone NAAQS covering all portions of the nonattainment area that also meets the SIP requirements for the 2015 NAAQS, a certification statement may be submitted in lieu of revised rules. The District has previously approved NNSR rules that meet the SIP requirements for the 2015 ozone NAAQS.

**Contact:** Kevin J. Williams, Ph.D., Program Supervisor, 279-207-1156

**Presentation:** Yes

**ATTACHMENTS:**

- Resolution- Nonattainment New Source Review Certification For The 2015 Ozone NAAQS
- Attachment 2: Exhibit A - Nonattainment New Source Review Certification
- Attachment 3: Evidence of Public Notice
- Presentation - Nonattainment New Source Review Certification

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**Approvals/Acknowledgements**

Executive Director or Designee: Alberto Ayala, Report Approved 8/17/2021

District Counsel or Designee: Kathrine Pittard, Approved as to Form 8/17/2021

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**Discussion / Justification:**

In 2018, EPA promulgated a rule to implement the 2015 ozone NAAQS (83 FR 62998), which requires the District to submit several plan elements to EPA, including revisions to the SIP that meet the NNSR requirements of 40 CFR 51.165 for ozone and its precursors.

The provisions of 40 CFR 51.165 require a pre-construction permit program for new or modified stationary sources of pollutants. The District implements these requirements through Rules 214 and 217, which are incorporated into the SIP for the 2008 ozone NAAQS. Staff has concluded that these rules also meet the requirements for the 2015 ozone NAAQS; therefore, Staff is proposing adoption of a plan document certifying that existing Rules 214 and 217 meet the NNSR requirements of 40 CFR 51.165 as they apply to 2015 ozone NAAQS.

**Summary of Plan / Rule / Amendment:**

Staff performed an analysis comparing the NNSR requirements of 40 CFR 51.165 with the relevant provisions of Rules 214 and 217. This analysis demonstrates that Rules 214 and 217, taken together, meet the requirements for an NNSR program. Rules 214 and 217 were amended on August 23, 2012, submitted to EPA on September 26, 2012, and approved by EPA into the SIP on August 29, 2013 (78 FR 53271).

The requirements of 40 CFR 51.165 and the relevant sections of Rules 214 and 217 that meet each element are shown in Exhibit A. The key elements of Rules 214 and 217 include:

- Major stationary source thresholds (25 tons per year), major modification thresholds (also known as significant emissions rates) and VOC and NOx as ozone precursors.
- Installation of equipment that meets the lowest achievable emission rate.
- Emission reduction credit and offset requirements including offset thresholds, offset ratios, and requirements for actual emission reductions.
- Anti-backsliding requirements.
- Public participation requirements for permitting actions including publication in at least one newspaper and information on how to obtain pertinent information and inviting public comment.

**Financial Considerations:**

Staff has determined that there are no changes needed to any District rules as a result of the NNSR Certification. Therefore, adoption of NNSR Certification is not expected to result in additional costs to the District.

**Emissions Impact:**

Staff has determined that there are no changes needed to any District rules as a result of the NNSR Certification. Therefore, no emission reductions will result from adoption of the NNSR Certification.

**Economic Impact:**

Staff has determined that no changes are needed to any District rules as a result of the NNSR Certification; therefore, no changes to any stationary sources are required, and there will be no compliance costs or impacts to employment or the economy of the region.

**Public Outreach/Comments:**

The noticing for today's hearing included:

- A notice posted on the District website with a link to the proposed Emissions Statements Certification.
- Email notices to:
  - CARB and EPA; and
  - All persons who have requested SIP planning notices.

As of August 3, 2021, no comments have been received. Any written comments received prior to the public hearing will be distributed to the Board before the hearing.

**Environmental Review:**

In this SIP revision, the District is not proposing any changes to District Rules 214 or 217 as a result of the

NNSR Certification. Staff has determined that the adoption of this NNSR Certification is exempt from the California Environmental Quality Act (CEQA) as an action by a regulatory agency for the protection of the environment (Class 8 Categorical Exemption, Section 15308, State CEQA Guidelines) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant adverse effect on the environment (Section 15061(b)(3), State CEQA Guidelines).