MENDOCINO COUNTY AIR QUALITY MANAGEMENT DISTRICT MEMORANDUM

DATE:September 6, 2016TO:The Mendocino County
Air Quality Management District BoardFROM:Robert A. Scaglione
Air Pollution Control Officer

SUBJECT: Amendments to Regulations 1, Air Pollution Control Rules

The Federal Clean Air Act (CAA, or "the Act") established requirements for specified sources of air pollution to obtain permits under a program called "Prevention of Significant Deterioration" or "PSD." This program was created to ensure that, in areas that meet federal standards for ambient air quality, new industrial activity does not significantly degrade local and regional air quality. The U.S. Environmental Protection Agency (EPA) has established regulations to implement the PSD program, and these regulations are codified under 40 CFR Part 52.21.

The Clean Air Act requires states to submit to EPA plans that implement, maintain, and enforce national ambient air quality standards (NAAQS). These plans, known as State Implementation Plans (SIPs), must be updated as new air quality standards are changed or adopted.

The SIP is a compendium of air pollution regulations that apply throughout the state. The SIP contains rules that address basic regulatory infrastructure, attainment of the National Ambient Air Quality Standards and transport of air pollution across state and/or national boundaries. In order to be included in the SIP, rules must meet certain legal and regulatory standards and once incorporated, they must be federally enforceable.

EPA is approving most of California's SIP submittals and currently finalizing disapproval for several narrow deficiencies for several districts, including PSD program requirements to regulate Particulate Matter <2.5 microns ($PM_{2.5}$) in the North Coast Air Basin: Mendocino, North Coast, Northern Sonoma air districts.

At the request of EPA and in order to comply with federal requirements the District has drafted amendments to District Regulation 1, Air Pollution Control Rules that implement the federal programs for review of significant new and modified sources of air pollution known as the Prevention of Significant Deterioration Program, or PSD. The amendments are necessary to maintain full approval of the District's program. The proposed actions are consistent with state and federal laws and regulations and will not result in any adverse impacts on emissions, air quality, public health, compliance costs or cost-effectiveness, or have other socio-economic impacts.

The proposed amendments incorporate specific definitions, requirements and procedures consistent with EPA's most recent standards for this program. These proposed changes will allow EPA to approve the District's program as part of the State Implementation Plan (SIP), allowing these rules to be federally enforceable.

In addition to the amendments to Regulation 1, EPA has requested that the District withdraw Regulation 1, Rule 1-221, Federal Permitting of Greenhouse Gas Emissions because of various court rulings regarding Greenhouse Gas and is therefore no longer enforceable and Regulation 1, Rule 1-494, Potential to Emit Limitations because it is not required to be a SIP approved rule and therefore should be removed from the SIP submittal. Rules that are withdrawn from the SIP or from submittal to the SIP will remain in effect as local regulations enforceable by the District.

The District is requesting that the Board approve adoption of the Resolution to amend Mendocino County Air Quality Management District Regulation 1, Air Pollution Control Rules as written and authorize the Air Pollution Control Officer to submit the adopted amendments to the US EPA and the California Air Resources Board for inclusion in the State Implementation Plan (SIP) and withdraw Rule 1-221 and Rule 1-494 from the SIP or from submittal into the SIP, as applicable. The District also requests that the Board authorize the Air Pollution Control Officer to file a notice of categorical exemption pursuant to the California Environmental Quality Act.