RESOLUTION NO. 2021 – XXXX

Adopted by the Sacramento Metropolitan Air Quality Management District Board of Directors

AB 617 BEST AVAILABLE RETROFIT CONTROL TECHNOLOGY DETERMINATION FOR NATURAL GAS PRODUCTION OPERATIONS

BACKGROUND:

- A. California Health and Safety Code (HSC) Section 40920.6(c)(1), as amended by California Assembly Bill 617 [Statutes of 2017, Ch. 136, Sec. 2. AB 617, Christina Garcia], requires each California air district that is a nonattainment area for one or more air pollutants to adopt an expedited schedule for implementation of Best Available Retrofit Control Technology (BARCT) on or before January 1, 2019. Expedited BARCT is required for each industrial source subject to the California Greenhouse Gas Cap-and-Trade regulation [Title 17, California Code of Regulations, Section 95802 *et seq.*] as of January 1, 2017.
- B. The Sacramento Metropolitan Air Quality Management District (District) is designated nonattainment for the federal and state ozone standards, the federal standard for particulate matter less than 2.5 microns in diameter (PM2.5), and the state standard for particulate matter less than 10 microns in diameter (PM10).
- C. The Board of Directors (Board) adopted the District's expedited BARCT schedule on October 25, 2018. The schedule identifies each industrial source for which the District must implement expedited BARCT, and commits the District to evaluating BARCT and adopting or amending District rules if necessary.
- D. California Resources Production Corporation, a natural gas production operation, is subject to the AB 617 expedited BARCT requirements.
- E. Staff performed a detailed analysis of available control technologies, other district rules, California's Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities and other rules and regulations for Natural Gas Production Operations. Staff concluded that the District's implementation and enforcement of California's Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities [Title 17, California Code of Regulations, Section 95665 *et seq.*], through a Memorandum of Agreement with the California Air Resources Board, meets BARCT for natural gas production operations in Sacramento County.
- F. The Board has considered Staff's AB 617 BARCT Analysis for Natural Gas Production Operations.
- G. A notice for this public hearing was posted on the District's web site on February 22, 2021, inviting public comment and describing how comments could be submitted. The notice included a link to the AB 617 Best Available Retrofit Control Technology Analysis for Natural Gas Production Operations.

H. An action that will not cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, is not a project subject to the California Environmental Quality Act (CEQA). [Public Resources Code Section 21065 and State CEQA Guidelines Section 15378].

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

- Section 1. The adoption of the AB 617 BARCT Analysis for Natural Gas Production Operations is not subject to CEQA.
- Section 2. Determines that the District's implementation and enforcement of California's Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities [Title 17, California Code of Regulations, Section 95665 *et seq.*], through a Memorandum of Agreement with the California Air Resources Board, meets BARCT for natural gas production operations in Sacramento County.
- Section 2. Approves and adopts the AB 617 BARCT Analysis for Natural Gas Production Operations shown in the attached Exhibit A.
- Section 3. Exhibit A is attached to and incorporated into this Resolution.

ON A MOTION by Director ______, seconded by Director ______, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District on March 25, 2021, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

ATTEST:

Clerk, Board of Directors Sacramento Metropolitan Air Quality Management District