

Advisory #19-03

March 2019

IMPORTANT INFORMATION ABOUT THE CALIFORNIA AIR RESOURCES BOARD'S CRITERIA AND TOXICS REPORTING REGULATION

This advisory provides Sacramento County business owners and operators information about potential state regulations currently being developed by the California Air Resources Board that may have a significant impact on businesses within the district.

Background

In 2017, Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017) was adopted to develop a new community-focused program to more effectively reduce exposure to air pollution and preserve public health. This bill directs the California Air Resources Board (CARB) and all local air districts, including the Sac Metro Air District to take measures to protect communities disproportionally impacted by air pollution. The key components to the new AB 617 mandate include: community-level air monitoring and emission reduction plans, accelerated review of retrofit pollution control technologies on industrial facilities subject to Cap-and-Trade, enhanced emission reporting requirements and increased penalty provisions for air quality violations. The emission reporting component of the AB 617 program is the focus of this advisory.

During its December 2018 meeting, CARB adopted the "Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants", which requires affected businesses located in AB 617 communities to annually report to the air districts and CARB their emissions from all permitted activities. Simultaneously, CARB directed its staff to consider further refinements to the regulation's applicability. CARB staff responded to that direction, and on March 5, 2019 released proposed regulatory text which is available at: https://ww2.arb.ca.gov/our-work/programs/criteria-and-toxics-reporting

Enhanced Emissions Reporting

In its revised regulation, CARB staff have expanded the scope of applicability and is now proposing that the majority of <u>all</u> permitted sources in the state will be subject to enhanced emissions reporting requirements. Compliance with this new reporting mandate is expected to bring significant cost increases to all businesses in California, with small businesses likely to be the most affected. Further, CARB staff is proposing to amend the regulation under an abbreviated "15-day" rulemaking process that may not allow affected businesses to provide comments in time for them to be considered before regulatory changes take effect.

Please note that while the Sac Metro Air District supports all efforts to ensure that the residents of Sacramento County are protected from the effects of air pollution, including developing tools like emissions reporting to help identify air quality issues, CARB's proposed changes are not sponsored by the district. We are continuing to engage with CARB staff on this important issue and are working with them to ensure that regulations are developed with ample opportunity for affected entities to participate in the rulemaking process, as well as to ensure that those regulations are cost-effective and efficient.

More Information

Should you wish to learn more about CARB's regulation, please visit CARB's website listed above. If you have questions or wish to submit comments on the proposed regulation, please contact CARB staff at <u>ctr-report@arb.ca.gov</u> or Patrick Gaffney at 916-322-7303.

If you have any questions regarding your permit, you may call Sac Metro Air District at (916) 874-4800 or (800) 880-9025.