



Los Angeles Area Chamber of Commerce



Strengthening the Voice of Business



August 31, 2012

Dr. William A. Burke, Chairman
Members of the SCAQMD Governing Board
South Coast Air Quality Management District
21865 Copley Dr.
Diamond Bar, CA 91765

RE: 2012 Air Quality Management Plan

Dear Chairman Burke and Governing Board Members:

The Southern California Business Coalition (Coalition) appreciates the opportunity to provide comments on the Draft 2012 Air Quality Management Plan (AQMP). The Coalition is comprised of leaders from some of Southern California's largest regional business entities and associations. The final 2012 Air Quality Management Plan, and the rule making that will eventually stem from it, will directly affect many of these businesses' interests. The Coalition's highest priority is to work with SCAQMD to develop a well-balanced strategy that addresses federal requirements through an economically feasible compliance program. To that end, we offer the following comments:

1. Delays and Changes Have Hampered our Ability to Respond Effectively

The District released the initial version of the draft proposed AQMP control measures on June 12. However, the descriptions of those control measures in the CEQA Initial Study, released on June 28, conflicted with the actual measures themselves. To further confuse the process, the Draft AQMP released on or about July 17 had revisions to some of the proposed control measures that had been included in the Initial Study. Most recently, the Notice of Preparation and Initial Study were released again for recirculation on August 1 with a comment deadline of August 31. Finally, although the District held five public meetings in July to discuss the Draft AQMP, the Draft AQMP was not released until after the fourth meeting, which regretfully prevented meaningful public comment.

The District has strongly recommended that comments on the Draft AQMP be submitted by August 31. Unfortunately, the regulated community has had limited time to review the AQMP, and we still have not seen the entire document. Appendix V, the Modeling and Attainment Demonstrations, was only released on August 10. At the time this letter was developed, the separate Socio-Economic Analysis and Draft Program EIR were still pending. These documents are integral to our full and comprehensive understanding of the impacts of the Plan and the various proposed control measures. *We cannot adequately analyze or comment on the AQMP without them.*

In contrast to the previous AQMP adopted in 2007, documents were initially released for review October 6, 2006. The document was not formally adopted until September 7, 2007 . a full eleven months. *This year's process has been rushed into a much tighter time frame.*

Nevertheless, based on the amount of information available to us at this time, we are providing these initial comments. Moving forward, we respectfully ask that the AQMD release all future documents in a timely manner and then allow sufficient time for a comprehensive review by the regulated community.

2. Proposed Alternatives to the Project as Currently Defined

The legal requirement for the current AQMP is to demonstrate attainment of the federal 24-hour standard for PM-2.5 by 2014, whereas an ozone attainment Plan is not required until 2015, three years from now.

If the current Plan were focused solely on PM-2.5 attainment, attainment of both the 24-hour and the annual PM-2.5 standards could be achieved by 2014, at a level of cost and effort that is not likely to be objectionable. However, by contrast, the proposed ~~early~~ action+183(e)(5) ozone strategy is reasonably expected to require significantly greater effort. For example, the District has estimated that the annual cost will exceed \$115 million per year. This is the sum of the annual costs for only the six mobile source control measures, which are the only sources for which annual costs have been estimated. The annual cost of the fifteen stationary source measures has not been determined and is not included.

We respectfully request that the Board consider adopting an alternative project as the Air Quality Management Plan. The alternative project would be comprised of only the proposed short term PM-2.5 attainment measures since that is all that is required. That is, the 182(e)(5) stationary source and mobile source measures are not required now.

This alternative project will allow the Governing Board to consider all the options provided to it for a 2015 Ozone Plan, and will ensure much needed flexibility and additional time in developing those options. While it is appropriate to be discussing the next wave of ozone controls at this time, we recommend that the District Board fully utilize the three years provided by federal regulations to craft a well-integrated, economically defensible ozone attainment plan. This alternative project strategy avoids putting the fragile regional economic recovery at risk.

Further, the Coalition has specific comments on control measure CMB-01, NOx RECLAIM, now included in the Draft AQMP as Phases I and II. Although Phase I is included as a short term PM-2.5 control measure, we understand that the proposed NOx reduction of between two and three tons per day has virtually no beneficial impact on the PM-2.5 attainment demonstration. We further understand that the District has not yet taken credit for NOx reductions associated with the Residential Wood Burning and Open Burning control measures, BCM-01 and -02, which we understand to be several times greater than the proposed Phase I RECLAIM NOx reductions. Residential Wood Burning and Open Burning NOx reductions should be substituted for the proposed NOx RECLAIM Phase 1 measure in the PM 2.5 control strategy.

In summary:

- We strongly believe that the District would be better served by a PM 2.5-only AQMP at this time.
- We recommend that the Draft EIR present and analyze a project alternative that represents a PM 2.5-only control strategy.
- We recommend that the District take credit for the significant NOx reductions associated with BCM-01 and -02, and that these credits substitute for CMB-01 Phase I, which should be deleted from the Plan.
- Finally, we recommend that the ozone attainment strategy be developed as one entire integrated package for the 2015 AQMP.

As the process moves forward, we look forward to our continued partnership with SCAQMD. Please know that the business community remains committed to helping develop a balanced, workable 2012 AQMP that provides for both environmental and economic success.

We welcome further discussion of these comments; please contact Tracy Rafter, CEO of BizFed (Tracy.rafter@bizfed.org) or Matt Petteruto, Vice President of Economic Development for the Orange County Business Council (mpetteruto@ocbc.org).

Sincerely,

Southern California Business Coalition - AQMP Stakeholders Working Group

Comprised of members of the following associations:



Tracy Rafter
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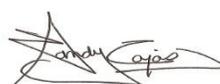
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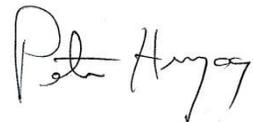
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