

## Comment Letter #100



October 18, 2022

Sang-Mi Lee, Ph.D.  
Planning & Rules Manager  
South Coast Air Quality Management District (SCAQMD)  
21865 Copley Drive  
Diamond Bar, CA 91765

**RE: Comments on the Revised Draft 2022 SCAQMD Air Quality Management Plan (AQMP)**

Dear Dr. Lee,

Coalition for Clean Air (CCA) submits the following comments in response to SCAQMD's Revised Draft 2022 AQMP. We also wish to acknowledge and express appreciation for the staff responses to the questions and comments posed in our July 5, 2022 letter on the initial Draft 2022 AQMP document. We understand developing the AQMP, conducting the public process and responding to submitted comments is a challenging task.

We remain concerned about the Revised Draft 2022 AQMP's ability to ensure the South Coast Air Basin (Basin) meets federal and state clean air standards by the required deadlines. Prior SCAQMD AQMPs relied on "black box" reductions; and yet, there is no viable pathway to meeting the 2023 ozone standard. If past is prologue, the Revised Draft 2022 AQMP's continued reliance on "black box" reductions does not bode well for meeting the 2031 and 2037 standards.

Our additional comments and questions on the Revised Draft 2022 AQMP are included below:

- **Additional federal action is needed, but SCAQMD must also achieve every ounce of emission reductions possible as well as address longstanding environmental justice concerns:** It is clear strong federal actions are needed to reduce air pollution in the Basin. Chief among these actions include developing and requiring new, cleaner engine emission standards, stronger rules and enforcement and greater support for state and local regulatory and incentive efforts. Yet, at the same time, SCAQMD must use every tool available to achieve emission reductions from the sources it can influence. This includes removing barriers to achieving emission reductions, such as artificially low cost-effectiveness thresholds. Further, SCAQMD must refrain from delaying rule development and adoption, as well as expedite implementation of newly passed rules. It should not have taken over three years to develop Rule 1109.1, and even longer to begin developing the Indirect Source Rule for the San Pedro Bay Ports.

SCAQMD also has an important responsibility in advancing environmental justice. Millions of residents of the Basin live in disadvantaged communities. As a result, these residents are exposed to higher levels of pollution,<sup>1</sup> resulting in worse health outcomes and shorter lifespans. We appreciate SCAQMD's work with the Assembly Bill 617 (AB 617) communities. Yet, SCAQMD's timeline for the deployment of Best Available Retrofit Control Technologies (BARCT), as required by AB 617, will go far beyond the statutory December 31, 2023 deadline. Further, it is important to recognize that environmental justice issues exist beyond the currently designated AB 617 communities. As such, SCAQMD must also address the longstanding environmental justice challenges in other vulnerable communities not currently under the Community Air Protection program.

- **SCAQMD must prioritize the development, passage and implementation of Indirect Source Review Rules (Proposed Rules 2304, 2306 and 2306.1):** The respective indirect source rules for ports and railyards are among the most important efforts currently underway at SCAQMD. As such, the district must prioritize these rules and ensure their expedient development, passage and implementation. Failure to pass these rules in a timely manner would undermine SCAQMD's stated commitments to environmental justice, as well as violate prior AQMPs and multiple AB 617 Community Emission Reduction Plans. Expedient passage of Proposed Rule 2306, relating to new intermodal railyard facilities, is of particular importance due to the proposed Southern California International Gateway (SCIG) and Colton railyards.

Additionally, the indirect source rules must achieve meaningful and real emission reductions. As such, we have significant concerns about credit trading systems or any method that would allow "paper compliance" with the rules. The Warehouse Indirect Source Rule (Rule 2305), which requires warehouses to obtain points through implementing specified emission mitigation strategies, created a strong precedent in requiring actions that will result in emission reductions while also providing some flexibility to both SCAQMD and regulated entities. Lastly, in developing the indirect source rule for railyards, SCAQMD must consider new rail activity in the areas surrounding the Basin, such as the proposed Barstow railyard and any proposed "inland ports." While these facilities are outside of SCAQMD's jurisdiction, they will ultimately bring in more vehicles and pollution to the Basin, affecting local air quality.

<sup>1</sup> SCAQMD should also clarify the following passage on Page 8-3: "As further described in this chapter, environmental justice communities typically experience similar or even *lower* (*emphasis added*) levels of ozone than other areas in the South Coast Air Basin... This is because they are mostly located upwind of areas where we see peak levels of ozone formation." Readers could wrongly interpret this as saying environmental justice communities are less polluted than the basin average. While page 8-19 notes most AB 617 communities experience somewhat lower ozone concentrations, the San Bernardino/Muscoy AB 617 community experiences higher ozone concentrations than the basin average. Further, the point that almost all AB 617 communities experience similar or higher particulate matter concentrations than the basin average, as well as higher concentrations of toxic air contaminants and greater socioeconomic vulnerabilities, cannot be lost.

- **State budget volatility could jeopardize SCAQMD’s incentive programs, which are a major component of the AQMP:** The AQMP anticipates SCAQMD’s incentive programs will require at least \$200 million annually through 2037. While the Revised Draft 2022 AQMP rightly points out that this funding is not guaranteed, it only commits to identifying other sources of revenue should state funding diminish. If SCAQMD is not able to identify other sources of revenue, however, what other options does the district have in ensuring the AQMP achieves its projected emission reductions?

It is important to recognize that California’s State Budget is notoriously volatile and highly dependent on economic conditions. For most of the past decade, California’s climate incentives have almost entirely been funded by Greenhouse Gas Reduction Fund (GGRF) revenues. Even during periods of strong economic growth, GGRF-funded programs often face underfunding and oversubscription. Meanwhile, a major economic downturn (which appears to occur once a decade) such as the recession in 2020 could completely obliterate GGRF funding. While the last two State Budgets have supplemented GGRF funds with significant General Fund appropriations towards climate programs, state leaders have repeatedly warned future budget years will not be as flush. Additionally, an economic downturn affecting high-income earners (such as the 2001 and 2007-2009 recessions) could result in a significant decline in General Fund revenues, leading to large scale budget cuts (as what occurred during the 2007-2009 recessions.)

- **Further clarification regarding unfulfilled commitments in previous AQMPs is needed:** We thank you for the response to our question regarding unfulfilled commitments from prior AQMPs. According to the staff response, “...sources addressed in previous AQMPs are included in subsequent AQMPs since newer technologies with lower emission rates become available and further emission reductions become feasible.” Yet, page 1-17 of the Revised Draft 2022 AQMP states “The new control strategy and attainment demonstrations in the 2022 AQMP are expected to supersede any previous commitments not achieved and not to be re-introduced in the proposed control strategy.” Are there any unfulfilled control strategies from the 2016 (or prior) AQMPs which are not being re-introduced in the 2022 AQMP? While we recognize that control strategies, pollution sources and regulatory capacity change over time, SCAQMD should provide a clear understanding as to if certain prior AQMP commitments may not be fulfilled.
- **Effective, equitable building decarbonization will be an important strategy in reducing ozone pollution within the Basin:** We appreciate and support SCAQMD committing to residential and commercial building decarbonization as part of the AQMP’s control strategies. Moving away from carbon-intensive water and space heating, appliances and other uses will not only help reduce climate-damaging emissions, but also reduce smog-forming pollutants. Though treated separately from building decarbonization, we also support transitioning backup generators, where feasible, to zero-emissions technologies. In addition to emitting climate and criteria air pollutants, diesel-powered generators also emit carcinogenic diesel particulate matter.



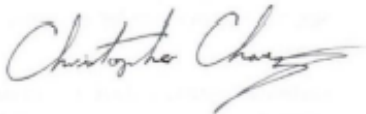
We also appreciate SCAQMD agreeing with the need to prioritize environmental justice communities in its response to Comment 70-3 on the previous draft 2022 AQMP. We echo the call to increase the amount of incentive funding dedicated specifically for low-income and disadvantaged communities. These communities are the most susceptible to the impacts of the climate crisis and poor air quality. Yet, they also face the highest burdens to clean alternatives.

Lastly, SCAQMD's response to our July 5, 2022 comments on electrical supply (Comment 60-13) was omitted in the response document.<sup>2</sup> As such, we repeat our comment that SCAQMD should consider emissions from electricity generation in California and work with other agencies and utilities to maximize renewable sources of electricity. Though renewables have become a significant source of California's energy, non-renewable sources still generate the bulk of the state's power. Ensuring clean electricity is powering clean buildings and vehicles is vital in maximizing emission reductions.

- **Hydrogen deployment in the Basin should include genuine engagement with environmental and environmental justice stakeholders, as well as commit to a ramp up of "green" hydrogen sources. Further, we are concerned about the usage of hydrogen as a combustion fuel:** Considering recent federal investments in hydrogen technology, SCAQMD must consider how to ensure this emerging technology addresses both longstanding air quality and environmental justice issues. While hydrogen fuel cell technology presents a significant opportunity to improve air quality, engagement with environmental and environmental justice stakeholders is key to successful deployment. Further, there must be a commitment to ramping up renewable sources of hydrogen, such as electrolytic hydrogen, as the technology matures. Lastly, we have concerns about the use of hydrogen as replacement fuel for thermal power plants. Studies have shown hydrogen combustion creates NOx, which is a precursor to ozone. Further, hydrogen can act as a precursor to greenhouse gases; as such, preventing leakage will need to be prioritized both to protect climate and community safety.

Thank you for your consideration of our comments.

Sincerely,



Christopher Chavez  
Deputy Policy Director

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<sup>2</sup> <http://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2022-air-quality-management-plan/revise-draft-2022-aqmp/revise-draft-2022-aqmp-comments-and-responses-to-comments.pdf?sfvrsn=6> (as of October 18, 2022.)