

Comment Letter #96



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Wayne Natri
Executive Officer
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Subject: Comments on the Revised Draft 2022 Air Quality Management Plan (AQMP)

Dear Mr. Natri:

Southern California Gas Company (SoCalGas) appreciates the opportunity to comment on the Revised Draft 2022 AQMP. Below SoCalGas recommends an alternative option regarding the proposed public meeting that would be convened during the rulemaking process, should an emission standard's cost-effectiveness exceed the proposed South Coast AQMD cost-effectiveness screening threshold. This alternative proposal would provide all stakeholders an opportunity to obtain a deeper understanding of the multiple emission standard options, benefits, and costs, as well as provide an opportunity for stakeholders to present valuable feedback to South Coast AQMD rulemaking staff. This would create added benefit to the Governing Board as it would also see the bigger picture regarding options available along with costs and benefits.

Proposal for Triggering Cost-Effectiveness Public Meeting for Future Rulemakings

For the first time, the AQMP seeks use of zero-emission technologies in proposed control measures as the primary element for reaching attainment of the 2037 ozone National Ambient Air Quality Standard. Many of the control measures in the AQMP rely upon a tiered approach where zero emission technologies are considered for control options prior to moving to near-zero technologies and then to low-NOx technologies. Additional firsts include a new cost-effectiveness screening threshold of \$325,000/ton NOx reduced which incorporates the monetized health benefits of reducing pollution, and a new public process to be utilized during rulemaking when the proposed emission standard's cost-effectiveness exceeds the cost-effectiveness screening threshold.

Current Proposal in AQMP regarding Cost-Effectiveness

The AQMP provides a discussion regarding how cost-effectiveness is used and what the cost-effectiveness requirements are for the AQMP and the Best Available Retrofit Control Technology (BARCT) rule development process.

As part of these discussions, the South Coast AQMD presents a new cost-effectiveness screening threshold of \$325,000/ton NO_x reduced to address the impacts of pollution on the public as well as address the expected higher costs of zero emission control strategies. Additionally, a new public process is presented which will be utilized during rulemaking when the proposed emission standard's cost-effectiveness exceeds the cost-effectiveness screening level threshold:

During the rulemaking process, if a proposed BARCT emission standard has a cost-effectiveness that is above the threshold, staff will hold a public meeting to discuss other emission standards with a cost-effectiveness at or below the proposed screening threshold and/or compliance or implementation options to address an emission standard that is above the proposed screening threshold. At the public hearing for the adoption or amendment of the emission standard, staff must present the options to the emission standard if the cost effectiveness is above the threshold, highlighting the potential emission reductions associated with each option.¹

SoCalGas believes that this new public process, specifically the convening of a public meeting to review emission standards that exceed the cost-effectiveness screening threshold, will be a critical element of the rulemaking process. Hence, SoCalGas makes the following recommendation regarding this public meeting.

Recommended Change

SoCalGas proposes that the trigger for convening this public meeting should be set at 50% of the cost-effectiveness screening threshold rather than the current proposed trigger where the cost-effectiveness of the proposed emission standard, developed during the rulemaking, must exceed the value of the cost-effectiveness screening threshold.

As this AQMP proposes significant changes as compared to plans of the past (e.g., its focus on zero-emissions control measures), triggering the special workshop sooner provides surety that a rulemaking is thoroughly analyzing all available options and technologies, and their associated cost effectiveness. This alternative proposal would provide all stakeholders an opportunity to obtain a deeper understanding of the multiple emission standard options, benefits, and costs, as well as provide an opportunity for stakeholders to present valuable feedback to South Coast AQMD rulemaking staff. This would create added benefit to the Governing Board as it would also see the bigger picture regarding options available along with costs and benefits.

¹ See Revised Draft 2022 AQMP, Chapter 4, at 4-92, available at: <http://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2022-air-quality-management-plan/revised-draft-2022-aqmp/revised-draft-2022-aqmp-chapter-4.pdf?sfvrsn=4>

Conclusion

SoCalGas appreciates the opportunity to participate in this extremely valuable air quality discussion. We hope for continued and fruitful engagement with the South Coast AQMD and stakeholders, so we may collectively advance the next generation of air quality management approaches that promote equity, clean air, and public health. Thank you for your consideration of our comments.

Respectfully,

/s/ Jawaad Malik

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