Comment Letter #98



California Council for Environmental and Economic Balance

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Sang-Mi Lee, Ph.D.
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Planning, Rule Development and Implementation
South Coast Air Quality Management District

Submitted Electronically to: AQMPteam@aqmd.gov

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

Dear Dr. Lee.

The California Council for Environmental and Economic Balance (CCEEB) represents numerous organizations with facilities and operations in the South Coast Air Quality Management District. We are closely following the development of the 2022 Air Quality Management Plan (AQMP). CCEEB submitted extensive comments on the draft plan on July 5, 2022. We continue to stand by our comments with a particular interest in recognizing that the District will not be able to achieve attainment without extensive efforts by EPA and the federal government.

CCEEB request that staff provide the board and all stakeholders with additional information on how the proposed change to the cost-effectiveness threshold would impact the cost to fully implement the AQMP. Our understanding is that the alternate cost-effectiveness threshold would assess indirect avoided costs from improved public health outcomes in addition to direct costs of pollution controls. We note that staff released a draft of the socioeconomic impact report for the AQMP on October 1, 2022. We request that the final version of this document take into account the new cost-effectiveness threshold and subsequent potential costs of implementing the rules.

CCEEB understands that staff is proposing the following process should an emission standard exceed the proposed alternative cost-effectiveness threshold:

- Holding a public meeting to discuss other emission standards with a costeffectiveness 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; and
- 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.

CCEEB Revised Draft AQMP Comments

We believe these are important actions to ensure the District's compliance with <u>CA</u>
<u>Health & Safety Code § 40920.6 (2013)</u> which states that the District must:

- Identify one or more potential control options which achieves the emission reduction objectives for the regulation.
- (2) Review the information developed to assess the cost-effectiveness of the potential control option. For purposes of this paragraph, cost-effectiveness means the cost, in dollars, of the potential control option divided by emission reduction potential, in tons, of the potential control option.
- (3) Calculate the incremental cost-effectiveness for the potential control options identified in paragraph (1). To determine the incremental cost-effectiveness under this paragraph, the district shall calculate the difference in the dollar costs divided by the difference in the emission reduction potentials between each progressively more stringent potential control option as compared to the next less expensive control option.

In the draft AQMP, staff proposed a cost-effectiveness threshold of \$59,000 per ton of NOx reduced. Under the revised proposal, that increases to \$325,000 per ton. We suggest applying the process outlined above to all measures and proposed rules that exceed a cost-effectiveness threshold of \$162,500 (50 percent of the proposed cost-effectiveness threshold) to ensure continued transparency.

We thank staff for considering our comments. Should you wish to follow up with me, please contact me at (925) 997-9077 or billq@cceeb.org.

Sincerely,

Bill Quinn

CCEEB Consultant

cc: Wayne Nastri Sarah Rees, PhD Michael Krause Ian MacMillan Tim Carmichael

Christine Wolfe

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Members, CCEEB's South Coast Air Project

Bill Henry

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