REPORT

TO: Energy and Environment Committee (EEC) and Regional Council (RC)

FROM: Molly Hoffman, Senior Regional Planner, Environmental Planning, 213-236-1804, hoffman@scag.ca.gov

DATE: **July 31, 2003**

SUBJECT: **Federal 8-Hour Ozone National Ambient Air Quality Standard**

EXECUTIVE DIRECTOR APPROVAL

Recommended Action:

Approve Staff Recommendations

Summary:

EPA is currently taking comments on its Proposed Rule to Implement the 8-hour ozone standard and intends to issue a final rule by the end of 2003. The 8-hour standard is more protective of public health and more stringent than the 1-hour standard. The South Coast Air Basin (SCAB) will be classified as a severe nonattainment area for the 8-hour standard, and must submit an attainment demonstration plan within three years of designation (by April 2007). The SCAB would have 17 years from that date of designation to demonstrate attainment (April 2021). EPA is currently proposing two options for the transition of the 1-hour standard to the 8-hour standard. Staff recommends that the EEC and RC support option 1, which would revoke the 1-hour standard one year following the effective date of designations for the 8-hour standard (April 2005).

Background:

The U.S. Environmental Protection Agency recently released its proposed rule to implement the 8-hour ozone National Ambient Air Quality Standard (NAAQS). The proposed rule outlines steps areas would have to take to maintain or further clean their air and protect the public from ground-level ozone pollution. Ground level ozone, commonly referred to as smog, is formed when volatile organic compounds (VOCs) react with nitrogen oxides in the presence of sunlight. Ozone is known to cause many adverse health effects such as reduced lung function, exacerbation of asthma and possible long-term damage to the lungs.

In 1979, EPA promulgated the current ozone standard, 0.12 parts per million (ppm), which is measured over a one hour period (i.e. the 1-hour standard). This standard addresses peak concentrations of ozone typically seen in urban areas. In 1997, EPA revised the ozone standard setting it at 0.08 ppm averaged over an 8-hour time frame. However, a number of events delayed implementation of the new 8-hour standard, and EPA is now taking comments on its Proposed Rule to Implement the 8-hour ozone standard and plans to issue a final rule by the end of 2003.

In general, the 8-hour standard is more protective of public health and more stringent than the 1-hour standard, as it addresses a broader period of time (i.e. am and pm operation) and is much more difficult to control. There are also more areas that do not meet the 8-hour standard than there are areas that do not meet the 1-hour standard. These areas include much of eastern half of the United States and large areas of California. The South Coast Air Basin (SCAB) will be classified as a severe nonattainment area for the 8-hour standard. EPA will promulgate final attainment designations by April 15, 2004. All areas not currently attaining the 1-hour standard, such as the SCAB, must submit an attainment demonstration plan within three years of designation (April 2007). The SCAB would have 17 years from that date of designation to demonstrate attainment (April 2021).

The transition from the 1-hour to the 8-hour ozone standard must ensure continued momentum in States' efforts toward cleaner air. EPA is currently proposing the following two options for this transition.

- Option 1: Revocation of the 1-hour Standard. Under option 1, which is EPA's preferred option, EPA would revoke the 1-hour standard and the associated designations and classifications one year following the effective date of the designations for the 8-hour standard (April 2005).

- Option 2: Partial Revocation of the 1-hour Standard. Under this option, EPA would retain the 1-hour standard and it's associated designations and classifications until the area meets the 1-hour standard.

SCAG staff recommends that the EEC and RC support Option 1 – Revocation of the 1-hour standard. Option 1 is the less complicated option and only requires compliance with one standard. However, Option 1 will provide antibacksliding measures as described below.

In the proposed rule, several obligations would continue to apply for an area like the SCAB, which is designated nonattainment for the 8-hour standard and is also designated nonattainment for the 1-hour standard. EPA is proposing that areas remain subject to control measures that applied by virtue of the area's classification for the 1-hour standard. In addition, no measures can interfere with attainment or progress toward the 8-hour ozone standard. However, states may revise or remove discretionary control measures so long as they do not interfere with progress towards attainment. The proposed rule is unclear on the "black box" (i.e. future but yet unidentified emission reductions) commitments under the 1-hour standard, but it appears that those commitments can not be removed under the 8-hour standard.

These obligations under the 1-hour standard would not expire after the 1-hour standard is revoked in whole or in part. EPA is proposing that these measures expire either upon attainment of the 1-hour standard (even if the area has not yet attained the 8-hour standard) or upon attainment of the 8-hour standard.

EPA is proposing that conformity for the 1-hour standard no longer apply one year following the effective date of the 8-hour standard. EPA is not taking comment at this time on appropriate tests under the 8-hour standard for demonstrating conformity. EPA intends to conduct a separate rulemaking prior to designating areas under 8-hour standard, which will address conformity.

Fiscal Impact:

Approval of these staff recommendations will have no fiscal impact on SCAG.