

**Calaveras Council of Governments
Air Quality, 8-Hour Ozone Non-Attainment
Project Update Report**

Attachment 7d

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Current Report Date: April 2, 2007

SUMMARY

The Environmental Protection Agency (EPA) regulates the requirements placed on public agencies for non-attainment of 8-hour ozone. EPA has recently sent a letter that states due to current and future legal actions, the requirements for 8-hour ozone are going to change. However, EPA has asked that agencies continue with developing their State Implementation Plans (SIPs) which are due in June and then adjust the SIP when the regulations are final. It is not yet known if California Air Resource Board (ARB) will be able to complete the SIP for the Amador/Calaveras air area by the June date.

DISCUSSION

In December 2006, a federal District Court determined that certain sections of the EPA 8-hour ozone requirements needed to be re-written. EPA has indicated they will probably appeal the Court decision and ask for further clarification which will delay the new regulations for several months. In a letter dated March 19th, the EPA answered several questions that State and local agencies have asked, including how should agencies move forward with the June SIP. EPA is recommending that the SIPs continue to be prepared by the June date. See attached letter.

ARB, in consultation with the local air pollution control officer, prepares the SIP for the Amador and Calaveras counties non-attainment area. There will be an interagency consultation meeting in the near future to determine when ARB can prepare the SIP.

If the SIP slips and is not prepared by June 15th, then significant transportation projects receiving federal funds will need to go through the emission analysis of build/no build process for each project as was done on the Angels Camp Bypass project. It is possible that there could be a lawsuit filed against EPA and non-attainment areas for “failure to submit” the SIP by June 15th. If this happens, the first sanction hits 18 months after the clock starts and the second at 24 months. The first sanction is application of 2:1 emission offset requirements for new and renewing stationary source permits; the second sanction is a cutoff of practically all Federal highway funding. The timeframe is 2 years for the highway funding cutoff sanction to take affect.

FUTURE ACTIONS

Target Date	Milestones	Comments
May 2007?	Draft Emission’s Budget completed	Review draft emission’s budget
June 2007?	Draft SIP completed	Review draft SIP
June 2007?	SIP due to EPA	SIP scheduled to be completed by 6-15-07