

February 20, 2008

Dr. Elaine Chang  
South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765

**Re: Comments on the South Coast Proposed Rule 2301, Emission Reductions from New or Redevelopment Projects**

Dear Dr. Chang:

We thank the South Coast Air Quality Management District for organizing the Working Group for PR 2301 and for including us in the process. All groups involved can provide valuable insight and experience that collectively can make PR 2301 an effective rule that will maximize emissions reductions. We believe this rule has great potential in reducing air pollution and improving the long term public health in our communities.

PR 2301, which includes an On-Site Construction Emissions Strategy and an Operational Emissions Strategy, fails to address the following concerns:

- 1. PM 2.5 should be included in PR 2301, with the AQMD setting a threshold above which developers must reduce or mitigate PM 2.5 emissions.**

The South Coast Air Basin is one of only two areas in the state that are in nonattainment of the federal PM 2.5 emissions standards. While NO<sub>x</sub> can often be a precursor to PM 2.5 formation, direct PM 2.5 has different sources and atmospheric characteristics than indirect PM 2.5. All of these reasons combined with the serious health impacts of inhalation of direct PM 2.5 associated with engines demand that PR 2301 directly address this pollutant.

- 2. All Operational Mitigation Measures should be quantifiable.**

Mitigation measures in Track 1 are quantified, but all allowable mitigation measures should be quantified. In the current draft of the rule, the second track of the compliance process allows a developer to choose mitigation measures that will be assigned a points value. Assigning points, without a development's context or any true sense of the amount of emissions reductions that can be achieved is arbitrary, may result in double counting, and will lead to lost emissions. For example, placing bicycle parking at an industrial site versus a commercial center could be given the same number of points, but may actually only achieve reductions at the commercial center where riding a bicycle is more likely.

On the other hand, quantifying all mitigation measures may increase the emissions reduction potential of the rule, helping the South Coast to attain air quality goals.

**3. When emissions are unable to be reduced below the two-ton threshold, a fee option should be allowed.**

A development may not be able to achieve the two-ton threshold on site, even if all feasible mitigation measures are in place. This may be due to the development's size, cost-effectiveness, or feasibility constraints. A fee would provide a consequence to developers who are unable to achieve the required emissions reductions. The fee should be based on the per-ton cost to the District of reducing the uncontrolled emissions offsite. The fee should be paid to the District, and used by the District to pay for offsite reductions to offset the emissions created from the new development.

**4. The Rule should require developers to use the cleanest construction equipment possible or to reduce construction emissions to a certain threshold.**

The Construction Strategy has no emissions reduction requirement. The reduction level should be set according to what is achievable and feasible to help create and maintain clean air. The Strategy allows compliance by participating in the SOON program or by applying for Carl Moyer funds. The SOON program does not address stationary equipment or on-road vehicles that will often serve construction sites. Taking the Carl Moyer pathway has several downfalls, including timing of construction versus the timing of distribution of funds, putting larger and savvier construction companies at an advantage over smaller firms, and providing no assurance that significant reductions will be achieved.

**5. The District should prepare a reasonable estimate of the amount of indirect source emissions created by new development and redevelopment projects to help determine the potential for emissions reductions through PR 2301.**

Information on projected growth scenarios, the number of redevelopment projects, and the resulting emissions from these projects is essential to develop an effective rule that helps the region reach ozone and PM attainment. This information will help to ensure that the emissions threshold and applicable project threshold are appropriately set. This information is also needed to determine how many emissions reductions can be credited to the rule, and to ensure that the district does not unintentionally leave cost-effective reductions on the table.

We thank you for offering the opportunity to comment on PR 2301. We look forward to being involved as the rule development progresses. If there is any other information we can provide, please let us know.

Sincerely,

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Environmental Defense

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