The Governing Board expressed its support of H.R. 1582, “Commonsense Ozone Regulation Act,” introduced by Rep. Kevin McCarthy. The proposed bill would remove the applicability of the revoked 1-hour federal ozone standard eliminating the widely-criticized nonattainment penalty fees that Valley businesses are facing, but would not affect District efforts to meet the current, more health protective, 8-hour ozone standard. The bill would also establish a local advisory committee to prepare a report for Congress on the feasibility of achieving any new eight-hour ozone standard set by EPA.

The Board approved proposed amendments to Rule 3170 (Federally Mandated Ozone Nonattainment Fee). This rule implements federal law requiring the District to collect fees from major stationary sources of nitrogen oxides and volatile organic compounds in the San Joaquin Valley. The amendments incorporate the administrative processes necessary for the District to implement this ozone nonattainment penalty fee through an innovative alternative approach that collects the fees only from major sources that have not installed the best available air pollution control technology. Amendments also include tracking and reporting requirements necessary to show that the fees collected from major sources, plus the mobile source fees collected under state Assembly Bill 2522, are, in total, sufficient to meet the federal requirements.

The Board approved proposed amendments to Rule 4307 (Boilers, Steam Generators and Process Heaters – 2.0 MMBtu/hr to 5.0 MMBtu/hr). These amendments incorporate tree nut pasteurizers, which are subject to FDA restrictions and cannot be retrofitted with add-on pollution controls, as a new, separate unit type.

The Board adopted amendments to Rule 4354 (Glass Melting Furnaces). Amendments modified the existing start-up provision, which limited excess oxygen to 5 percent, to accommodate the unique nature of an advanced emission control technology, oxy-fuel firing. No additional emissions are expected to result from this change.

The Board also received and filed proposed new Rule 2410 (Prevention of Significant Deterioration), and proposed amendments to Rule 4401 (Steam Enhanced Crude Oil Production Wells) and Rule 4605 (Aerospace Assembly and Component Coating Operations). A public hearing was set for June 16, 2011 to consider adoption of the new rule and rule amendments.

The Board approved a Memorandum of Understanding with Tulare County to allow the District to enter into contracts with qualified contractors to complete Energy Efficiency Conservation Block Grant projects. The District is partnering with the San Joaquin Valley Clean Energy Organization to administer the EECBG on behalf of three counties and 33 cities in the Valley. Under the partnership, local jurisdictions are eligible for $3.7 million in energy efficiency projects, which will also benefit air quality.
• The Board approved and authorized the chair to sign an agreement with the Fresno Council of Governments for $229,700 on behalf of the Air District’s eight counties, to develop improved transportation models to help cities and counties better assess emissions associated with land-use alternatives.

• The Board received and filed proposed amendments to Rule 4401 (Steam-Enhanced Crude Oil Production Wells), Rule 4605 (Aerospace Assembly and Component Coating Operations), and new Rule 2410 (Prevention of Significant Deterioration).

**May Healthy Air Living Tip**

*Motor vehicle use is one of the largest sources of ozone and particulate precursor emissions in the San Joaquin Valley. The month of May brings us lots of sunny days and is a perfect time to use alternative transportation.*

*Tip: Bike or walk to your next destination to reduce the amount of pollution created. Consider carpooling or investing in an electric scooter for everyday use, and avoid topping off at the gas station. For more information, visit [www.healthyairliving.com](http://www.healthyairliving.com)*

**April District Activities**

**Outreach and Communications**

• May 27 Is Video Contest Entry Deadline. An iPad is the prize for the first place winner in the 2011 For Reel Video Contest. Entries should demonstrate clean-air lifestyle changes we can all make, should be 30 seconds long and are due May 27. [www.healthyairliving.com](http://www.healthyairliving.com)

• Numerous Valley communities and organization celebrated Earth Day events in April, and OC staff attended 20 events throughout the District, including larger cities and small towns.

• Outreach and Communications responded to 148 public calls or emails and 24 media calls in April. Six new releases were distributed to Valley-wide media about Prop 1B funding, a response to the 2011 State of the Air report and the lawn mower trade-in program kickoff.

**Grant and Incentive Programs**

• The District received 6,016 incentive program applications in April. Of those, 2,850 were for the Proposition 1B Goods Movement Program, 83 were for the Heavy-Duty Engine Program and 3,058 were for the Lawn and Garden-Lawn Mower Replacement Program.

• $4,750,524.83 was placed under contract in Heavy-Duty Engine and Technology Advancement Program grant funds in April. $2,864,770.05 in Heavy-Duty Engine Program claims were paid.

• $23,489.66 in REMOVE II Program claims were paid in April. $40,850.00 in Wood Stove Change Out Program claims were paid and 75 claims were processed.

<table>
<thead>
<tr>
<th>Component</th>
<th>Number of Claims</th>
<th>Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ag Engine</td>
<td>12</td>
<td>$267,861.37</td>
</tr>
<tr>
<td>Ag-UTV</td>
<td>5</td>
<td>$10,375.00</td>
</tr>
<tr>
<td>Off-Road</td>
<td>9</td>
<td>$424,590.78</td>
</tr>
<tr>
<td>On-Road Prop 1B</td>
<td>32</td>
<td>$1,590,000.00</td>
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<tr>
<td>On-Road VIP</td>
<td>1</td>
<td>$45,000.00</td>
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<tr>
<td>School Bus Replacement</td>
<td>3</td>
<td>$300,327.75</td>
</tr>
<tr>
<td>School Bus Retrofit</td>
<td>47</td>
<td>$226,615.15</td>
</tr>
</tbody>
</table>
Heavy-Duty Emission Reductions (tons)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>NOx</td>
<td>68</td>
</tr>
<tr>
<td>PM</td>
<td>3</td>
</tr>
<tr>
<td>ROG</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
</tr>
</tbody>
</table>

- The District has funding available for truck replacements under two first-come, first-served grant programs targeted at small- to medium-sized Valley fleets. The heavy-duty diesel program is just one part of an extensive grants and incentives department at the District. For more information about the Air District or the many grant programs available, visit [www.valleyair.org](http://www.valleyair.org) or call a regional office.

**Operations Overview**

- **Compliance** completed 3,101 inspections in April. 176 NOVS were issued and 224 mutual settlement cases were completed.
- **Permits** received 227 applications in April and issued 269 permits.
- **Strategies and Incentives** received 27 smoking vehicle reports.
- **The District** received 121 environmental documents for review.

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**New Healthy Air Living Partners**  
March 8 – May 4, 2011  
Bakersfield Memorial Hospital  
Caltrans District 10, Stockton  
City of Chowchilla  
Dameron Hospital Association, Stockton  
Educational Employees Credit Union, Fresno  
Grundfos Pumps, Fresno  
Olam Tomato Processors, Lemoore  
The Fresno Bee  
Valley Mountain Regional Center, Stockton  
For information on joining the clean-air effort as a Healthy Air Living Partner, see [www.healthyairloving.com](http://www.healthyairloving.com)

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**Upcoming Meetings**

- **Governing Board*** 9 a.m. Thurs., June 16  
- **Citizens Advisory Committee*** 10 a.m. Tues., June 7  
- **Environmental Justice Adv. Grp.** 5:30 pm Tues., May 24  

Meetings are held in the Governing Board Room in the Fresno office and via video teleconference to the Modesto and Bakersfield offices. Details: [www.valleyair.org](http://www.valleyair.org)  
*webcast