



San Joaquin Valley
Air Pollution
Control District

News Release

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Decades of negotiations end in EPA support of local air quality rule
State put on notice that agricultural exemption must be axed

A San Joaquin Valley air quality rule in the works for more than 20 years has won the support of the U.S. Environmental Protection Agency.

The EPA on Thursday published a notice in the Federal Register proposing approval of the Valley Air District's "new source review" rule. The EPA also put California on notice that a state law exempting agriculture from air permits must be changed soon to avoid federal sanctions.

When a new or existing business applies for air permits, the Air District determines what is needed to reduce the business' impact on air quality. The new source review rule requires, in part, that equipment be upgraded to "best available control technology" and that businesses mitigate or offset increases in air pollution emissions.

"Our new source review rule is one of the toughest in the nation in regulating pollution from new businesses and existing businesses wanting to expand or modernize," said Seyed Sadredin, director of permit services for the Valley Air District.

EPA's proposed approval marks the first time a local air district is being allowed to show that the net effect of its rule is equivalent to or more stringent than the federal rule, instead of requiring the local rule to exactly mirror the federal rule. For more than a decade prior to unifying and becoming one air district, the counties in the San Joaquin Valley sought EPA approval of their new source review rules. The counties amended their rules numerous times, attempting to gain federal approval. When the county air pollution control agencies unified in 1992, the Valley Air District took over the effort.

Since 1992, the Air District has amended its new source review rule nine times, each time making it more stringent. However, the EPA maintained that the rule must be identical to the federal rule. After years of negotiations, the Air District and the EPA reached an agreement on how to prove the local rule is equivalent to the federal rule, thus paving the way to approval of the rule. The EPA will accept public comments regarding approval of the rule until March 17 and then make its final determination.

The most recent amendments to the rule, adopted by the Air District's Governing Board in Dec. 2002, incorporate federal equivalency demonstration and remove permit exemptions for agricultural sources.

Yesterday's announcement by the EPA stops sanctions that would have imposed penalties on Valley businesses and resulted in the loss of more than \$2 billion in federal highway funds earmarked for the Valley.

However, the EPA yesterday also issued a notice requiring California to remove from state law an exemption that allows agricultural sources to operate without air permits. If the law isn't changed by Nov. 23, 2003, the entire state will be subject to federal sanctions. While the state exemption is still on the books, the Valley Air District can't impose new source review requirements on agricultural sources.

"Now that the District and its Governing Board have done their parts, we hope that the state and federal governments can work together to resolve discrepancies between the state and federal laws," Sadredin said.