

**Background of Proposed Amended Rule 69.3.1 – Stationary Gas Turbine Engines-
Best Available Retrofit Control Technology**

The San Diego region does not meet the California and National Ambient Air Quality Standards for ozone, and therefore is classified as a severe ozone nonattainment area. Both federal and State laws require the San Diego County Air Pollution Control District (District) to adopt and implement rules to further control and reduce ozone-forming emissions including oxides of nitrogen (NO_x), which is the key pollutant that currently drives ozone pollution levels in the San Diego region. When inhaled, ozone adversely impacts people's health. Symptoms can include chest pain, shortness of breath, worsening of bronchitis and asthma, and nausea.

Existing Rule 69.3.1 regulates air pollutant emissions, specifically NO_x, from stationary gas turbine engines (units). These units burn fuel, typically natural gas, to produce electricity at facilities such as power plants, hospitals, and college campuses. There are approximately 36 existing units in San Diego County subject to Rule 69.3.1, emitting an estimated 129 tons of NO_x per year.

Rule 69.3.1 was last amended on February 24, 2010 (AP02) and contains stringent health-protective State requirements for Best Available Retrofit Control Technology (BARCT) for new stationary gas turbine engines with a power rating of 0.3 megawatt (MW) or greater, and existing units with a power rating of 1.0 MW or greater. BARCT is an emission limitation that is based on the maximum degree of reduction that is achievable, taking into account environmental, energy, and economic impacts.

In 2016, the District submitted Rule 69.3.1 for approval through the California Air Resources Board (CARB) to the U.S. Environmental Protection Agency (EPA) as part of the San Diego County portion of the State Implementation Plan (SIP) for attaining and maintaining the air quality standards. The submittal to the EPA was necessary to demonstrate compliance with federal requirements to implement “Reasonably Available Control Technology” (RACT) on stationary gas turbine engines. RACT is defined by the EPA as "the lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility." Subsequently, EPA identified various updates to Rule 69.3.1 that are necessary to assure federal approval of the rule. Consequently, the District is proposing to amend Rule 69.3.1 to address these requested updates. These updates include a revision to the rule applicability for consistency with Rule 69.3 – Stationary Gas Turbine Engines-Reasonably Available Control Technology; removal of requirements specific only to peaking units installed before 1998 that have since been retired from operation; revision of some definitions to remove Air Pollution Control Officer discretion; and other minor edits for clarification.

This is a request for the Air Pollution Control District Governing Board (Governing Board) to adopt amended Rule 69.3.1, and to repeal Rule 69.3, which was last amended on December 16, 1998 (AP04). Rule 69.3 contains federal-only emissions standards that are now incorporated into proposed amended Rule 69.3.1. If adopted by the Governing Board, proposed amended Rule 69.3.1 would incorporate the most current federal and State standards and improve upon and replace Rule 69.3, making Rule 69.3 obsolete.

In a memorandum signed by the Assistant Administrator dated September 30, 2021, the EPA announced the return to its 2015 Policy explaining that SIP provisions that provide exemptions from air pollutant emissions limits during periods of turbine startup, shutdown and malfunction (SSM) are not consistent with the Clean Air Act and would not generally be approvable. The EPA has yet to formally request that the District update Rule 69.3.1 to align with the requirements of the recently reinstated 2015 Policy. The District will continue to evaluate the potential impacts of this recent policy revision and if requested by EPA, the District may need to amend Rule 69.3.1 as part of a separate rulemaking process if it is determined that the rule's exemptions for periods of startup, shutdown, and maintenance are now inconsistent with the recently reinstated 2015 Policy. The District is proceeding with the current proposed amendments to Rule 69.3.1 so as not to delay the aforementioned commitment to EPA.

Environmental Review of New District Rules and Regulations

Section 15187 of the CEQA Guidelines requires the District, when adopting a rule requiring the installation of pollution control equipment or establishing a performance standard, to perform an environmental analysis of the reasonably foreseeable methods by which compliance with that rule or regulations will be achieved. The amendments to Rule 69.3.1 proposed today do not change local control requirements for affected equipment; therefore, this provision of the CEQA Guidelines is not applicable.

Socioeconomic Impact Assessment

State law requires the District to perform an assessment of the socioeconomic impacts when adopting, amending or repealing a rule that will significantly affect air quality or emission limitations. A review conducted by District staff found that the proposed amendments to Rule 69.3.1 will not significantly affect air quality or emissions limitations. The proposed rule amendments do not impose requirements beyond local regulations that are already in effect. Accordingly, a socioeconomic impact assessment is not required and has not been prepared.

Submittal to EPA

If approved by the Governing Board, the proposed amendments to Rule 69.3.1 will take effect upon adoption. Amended Rule 69.3.1 would be resubmitted through CARB to the EPA for approval into the SIP.