

September 17, 2024

Martha Guzman, Regional Administrator U.S. Environmental Protection Agency Region 9 75 Hawthorne Street San Francisco, CA 94105

Dr. Steve Cliff, Executive Officer California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95812

**Re:** South Coast AQMD Rule 317 Fee Equivalency Account Reconciliation Report for South Coast Air Basin (SCAB)

South Coast AQMD Rule 317 was adopted to satisfy the requirements specified in Section 185 of the 1990 Amendments to the federal Clean Air Act (CAA). Section 185 of the CAA requires major sources to pay fees upon failing to meet an ozone standard by the attainment date. Alternatively, Section 172(e) of the CAA allows for a fee equivalency program in lieu of fee payments.

Pursuant to South Coast AQMD Rule 317(c)(5), please find attached Section 172(e) Fee Equivalency Account (FEA) reconciliation report for Fee Assessment Year (FAY) 2023. As documented in the report, the reconciliation of expenditures from qualified programs (credits) with the source fee obligation (debits) for the South Coast Air Basin demonstrates a net positive balance of credits remaining in the subject reporting year, and these credit balances are sufficient to demonstrate compliance for both the Annual Demonstration of Equivalency pursuant to Rule 317(c)(3) and Annual Preliminary Demonstration of Equivalency pursuant to Rule 317(c)(4).

If there are any questions concerning the report, please contact Ian MacMillan at 909-396-3244 (<a href="macmillan@aqmd.gov">imacmillan@aqmd.gov</a>) or Eugene Kang at 909-396-3524 (<a href="macmillan@aqmd.gov">ekang@aqmd.gov</a>).

Sincerely,

Wayne Nastri Executive Officer South Coast AQMD

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Cc: Matthew Lakin, U.S. EPA Region 9
Doris Lo, U.S. EPA Region 9
Mae Wang, U.S. EPA Region 9
Edie Chang, CARB
Ariel Fideldy, CARB
Sylvia Vanderspek, CARB

Attachments: Rule 317 172(e) FEA FAY 2023 Reconciliation Report for SCAB