

State of California  
AIR RESOURCES BOARD

**Addendum to the Final Statement of Reasons for Rulemaking**

**PUBLIC HEARING TO CONSIDER THE ADOPTION OF A PROPOSED REGULATION  
FOR REDUCING SULFUR HEXAFLUORIDE EMISSIONS FROM GAS INSULATED  
SWITCHGEAR**

Public Hearing Date: February 25, 2010  
First Public Availability Dates: September 9, 2010 – September 24, 2010  
Second Public Availability Dates: April 11, 2011 – April 26, 2011  
Agenda Item No.: 10-2-2

**I. BACKGROUND**

At its February 25, 2010, public hearing, the Air Resources Board (ARB or Board) considered adoption of the proposed Regulation for Reducing Sulfur Hexafluoride Emissions from Gas Insulated Switchgear (Regulation), new sections 95350 through 95359, title 17, California Code of Regulations (CCR). This regulation reduces greenhouse gas emissions associated with the use of sulfur hexafluoride (SF<sub>6</sub>) in switchgear devices that are used for the transmission and distribution of electricity. The regulation requires owners of gas insulated switchgear (GIS) to establish an initial annual maximum emission rate of ten percent of their nameplate capacity of SF<sub>6</sub> by December 31, 2011. GIS owners are required to annually reduce annual SF<sub>6</sub> emission rates by one percent per year starting in 2012. The maximum annual emission rate would be fixed at one percent starting in 2020.

At the hearing, the Board received written and oral comments on the staff's proposed regulation. At the conclusion of the hearing, the Board unanimously adopted Resolution 10-1, in which it approved the adoption of the originally proposed regulation with suggested modifications discussed at the hearing. In accordance with section 11346.8 of the Government Code, the Board directed the Executive Officer to incorporate the modifications into the proposed regulatory text and to make such modifications available for a supplemental comment period of at least 15 days. The Executive Officer was then directed either to adopt the regulations with such additional modifications as may be appropriate in light of the comments received, or to present the regulations to the Board for further consideration if warranted in light of the comments.

The text of the modifications to the originally proposed regulation was made available for a supplemental 15-day comment period by issuance of a "Notice of Public Availability of Modified Text" ("15-day Notice"). The 15-day Notice, together with a copy of the proposed regulation with modifications clearly indicated, was posted on September 9, 2010, for a period of public review and comment that ended on

September 24, 2010. Notification was sent to persons who had expressed an interest in the regulation during the course of rule development and review, including all individuals described in subsections (a)(1) through (a)(4) of section 44, title 1, CCR. By these actions, the modified regulations were made available to the public for a supplemental comment period pursuant to Government Code section 11346.8.

Three written comment letters were received during the supplemental 15-day comment period. Staff evaluated the comments received; however staff did not make additional modifications due to those comments for the reasons listed in the FSOR as staff's response to the comments.

After considering the comments, the Executive Officer adopted the modified regulation and issued Executive Order R-10-020, adopting new sections 95350 to 95359 to title 17, CCR. The rulemaking package was then submitted to the Office of Administrative Law (OAL) on December 21, 2010.

On February 2, 2011, OAL approved nine of the ten proposed sections of title 17, CCR. However, OAL disapproved section 95356 of the proposed regulation because OAL determined that it did not meet the clarity standard set forth in Government Code section 11349.1. OAL stated that section 95356(a) did not clearly establish when GIS owners are required to submit their annual reports.

To address the concerns noted by OAL, ARB staff modified section 95356 to correct the deficiency. Section 95356(a) was modified to require that annual reports be submitted by June 1<sup>st</sup> of each year beginning in 2012. ARB staff also modified section 95356(b)(8) to correct a typographical error that would have required the GIS owners to submit the location of all GIS devices as part of the annual report. Utilities raised security concerns about the potential release of the locations of key infrastructure components. Therefore, ARB staff's modification requires that GIS owners keep that information at their offices in case of inspection, but not submit it annually.

The text of the modifications to the originally proposed regulation was made available for a second supplemental 15-day comment period by issuance of a "Second Notice of Public Availability of Modified Text" ("2<sup>nd</sup> 15-day Notice"). The 2<sup>nd</sup> 15-day Notice, together with a copy of the proposed regulation with modifications clearly indicated, was posted on, April 11, 2011, for a period of public review and comment that ended on April 26, 2011. Notification was sent to persons who had expressed an interest in the regulation during the course of rule development and review, including all individuals described in subsections (a)(1) through (a)(4) of section 44, title 1, CCR. By these actions, the modified regulations were made available to the public for a supplemental comment period pursuant to Government Code section 11346.8.

As no comments were received during this 15-day comment period, the Executive Officer issued Executive Order R-11-006, adopting the modified regulation.

This addendum in the resubmittal filing supplements the Board's file for the rulemaking denominated as OAL File No. 2010-1221-03 S. The Board addresses OAL's cited concerns in its February 9, 2011, Decision of Partial Disapproval of Part of Regulatory Action, by amending the proposed regulation to provide GIS owners with a specific date by which annual reports are to be submitted each year.

## **II. SUPPLEMENTAL STATEMENT OF REASONS**

As discussed in the "Second Notice of Public Availability of Modified Text," the Board modified the proposed regulation to address OAL's cited concerns and to correct a typographical error. In order to provide a complete FSOR for this rulemaking, these modifications and clarifications are summarized below:

### **A. Modifications to Regulatory Text of California Code of Regulations, title 17, section 95356.**

1. Section 95356(a) was modified by substituting "By June 1, 2012, and June 1<sup>st</sup> of each year thereafter, each GIS owner must submit an annual report to the Executive Officer for emissions that occurred during the previous calendar year" for "Beginning in calendar year 2011 for emissions occurring during the previous calendar year, and each calendar year thereafter, each GIS owner must submit the following annual report to the Executive Officer no later than the applicable deadline specified in title 17, California Code of Regulations, section 95100, et seq."
2. Section 95356(b)(8) was modified by substituting "10" for "11".

## **III. SUMMARY OF AND RESPONSES TO COMMENTS**

No comments were received by the ARB during the second 15-day comment period.