District's Indirect Source Review Program

South Central Fresno CSC October 12, 2022



Indirect Source Review Rule (ISR)

- First in nation to adopt "indirect source" requirements to help mitigate emissions from new development projects (implemented since 2006)
- Purpose of the ISR Rule
 - Mitigate increase in growth related emissions (NOx and PM10)
 - Reduce project related construction and operational emissions
- ISR promotes incorporation of clean-air features in project design
 - If required reductions are not achieved through on-site measures, developer pays off-site fee for remaining required reductions
- On-site measures preferred over off-site fees
- All off-site fees collected by the District are used to fund emissions reduction projects in the Valley



ISR Applicability

- Development projects requiring discretionary land use approval from a public agency:
 - 50 residential units
 - 2,000 ft² of commercial space
 - 25,000 ft² of light industrial space (warehouses, distribution centers)
 - 100,000 ft² of heavy industrial space
 - 20,000 ft² of medical office space
 - 39,000 ft² of general office space
 - 9,000 ft² of educational space
 - 10,000 ft² of government space
 - 20,000 ft² of recreational space
 - 9,000 ft² of space not identified above
- Large development projects requiring any land use approval (e.g. ministerial) from a public agency
- Transportation and transit projects



ISR Emission Reduction Requirements

- The ISR rule is designed to reduce emissions impacts from development projects to assist Valley in meeting air quality standards
- Developers subject to rule must submit Air Impact Assessment, and reduce emissions as follows:
- Construction equipment fleet emissions
 - -NOx: 20% emissions reductions (beyond California fleet average)
 - -PM10: 45% emissions reductions (beyond California fleet average)
- Operational emissions (Area and Mobile Sources)
 - -NOx: 33.3% emission reductions (over a period of 10 years)
 - -PM10: 50% emission reductions (over a period of 10 years)



Emission Reductions Through Project Design

- District provides an extensive list of design features to assist developers reduce on-site emissions
 - Clean construction equipment, trucking fleets
 - Minimize Vehicle Miles Traveled (mixed use, pedestrian friendly, access to mass transit, etc.)
 - Energy efficiency measures
 - Zero-emissions infrastructure (solar, EV charging, etc.)
- Benefits
 - Achieve immediate and permanent emission reductions
 - Emissions reductions directly benefit local communities
 - Minimize or eliminate off-site fees



Emission Reductions Through Off-site Fees

- After assessing all on-site clean air measures, off-site mitigation fees are applied to achieve the remaining emissions reductions required by the rule
- Funds are invested in cost effective clean-air projects in the Valley through the District's incentive programs:
 - Grants to Valley businesses to electrify or replace existing diesel-powered agricultural tractors and irrigation pump engines
 - Grants to Valley businesses to replace old trucks with new low-emission trucks
 - Grants to Valley school districts to replace older and high-polluting school buses
 - Grants to Valley municipalities to replace older transit buses and other vehicles
 - Grants to Valley residents to purchase electric vehicles
 - Grants to Valley residents to repair older high-polluting vehicles
 - Grants to Valley residents to replace fireplaces and non-certified wood burning stoves with natural gas inserts, electric heat pumps, or other cleaner burning units



ISR Program 2006 - 2022

- District continues to conduct outreach to land use agencies to assist with ISR compliance and promotion of on-site clean-air designs
- Project design improvements and building practices
- Over 19,000 tons of emissions reduced from on-site project design elements benefitting local communities
- The District continues its evaluation of the program (e.g. rule stringency, available tools, resources, and clean-air measures)

Building Clean Air Measures Into Your Project Indirect Source Review Rule

Indirect Source Review Rule Overview

Rule 9510: Indirect Source Review

Rule 3180: Administrative Fees For ISR

Frequently Asked Questions

ISR Brochure

Compliance Assistance Bulletin

Do I need an application?

Forms and Applications

Clean Air Measures

CARB Freight Handbook

Emissions Assessment Models and Calculators

ISR Annual Report

Rule 9510 Staff Reports to Governing Board

Contact Us

The Indirect Source Review Rule

The purpose of the District's Indirect Source Review (ISR) Program is to encourage developers to incorporate clean air measures and reduce emissions of NOx and PM10 from new development projects. In general, new development contributes to the air-pollution problem in the Valley by increasing the number of vehicles and vehicle miles traveled. In 2005, on-road vehicles generated approximately 200 tons per day of NOx and direct PM10 pollution in the Valley. Although newer, cleaner technology is reducing the per-vehicle pollution, the emissions increase from new development putting more vehicles on Valley roads partially offsets the emission reductions gained from technology advances.

The District Rule 9510 (Indirect Source Review) and Rule 3180 (Administrative Fees for Indirect Source Review) are the result of state requirements outlined in the California Health and Safety Code, Section 40604 and the State Implementation Plan (SIP). The District's SIP commitments are contained in the District's 2003 PM10 Plan and Extreme Ozone Attainment Demonstration Plan (Plans), which identify the need to reduce PM10 and NOx in order to reach the ambient air-pollution standards on schedule. The Plans identify growth and reductions in multiple source categories. The Plans quantify the reduction from current District rules and proposed rules, as well as state and federal regulations, and then model future emissions to determine if the District may reach attainment for applicable pollutants.

The PM10 and Ozone plans have determined that the ISR Rule, in addition to existing and future rules and conditions, will help clean the Valley's air and reach attainment.





Continued Evaluation of ISR - Rule Stringency

- South Coast Air Quality Management District's recently adopted a warehouse ISR rule to target operational mobile source emissions
 - Applies to new and existing warehouses greater than 100,000 ft²
 - Approach is similar to the District's ISR rule in that it requires clean air project design elements to reduce NOx and particulate emissions, and payment of a mitigation fee, if necessary, to achieve remaining rule requirements
 - Differs in that it applies to operational emissions from new and existing warehouses, while District's ISR rule applies to new construction and operational emissions from various development types (i.e. residential, warehouses, other non-residential)
 - Currently under litigation due to a lawsuit filed in 2021 by the CA Trucking Assoc.
- District is currently monitoring the lawsuit and will evaluate the outcome as potential future ISR enhancements are considered to the extent allowed under state and federal regulation and case law

