

Proposed Updates to District's Best Available Control Technology Cost Effectiveness Thresholds and Interest Rate

Permit Stakeholders Meeting
April 24, 2024

Existing BACT Policy

- Originally adopted upon District formation in 1992
- Revised in 1999 to enhance procedures for greater public participation if significant changes made to BACT guidelines
- Last revised in 2021
 - Increased cost effectiveness thresholds to a level consistent with other large California air districts
 - Established a requirement to adjust the cost effectiveness thresholds annually based on the California Consumer Price Index for Urban Consumers
 - Established a requirement to adjust the interest rate used in cost effectiveness calculations annually based on the US Treasury 10-year constant maturity security interest rate

Existing BACT Policy Thresholds

- Cost Effectiveness Thresholds:

NOx	CO	VOC	SOx	PM10/2.5
\$35,300/ton	\$400/ton	\$25,300/ton	\$20,400/ton	\$12,800/ton

- Interest Rate: 4%

Proposed Updates

- Effective June 1, 2024
 - Update cost effectiveness thresholds
 - Use California Consumer Price Index (CPI) for Urban Consumers to adjust thresholds on a year-over-year basis (rounded to the nearest \$100)

NOx	CO	VOC	SOx	PM10/2.5
\$36,700/ton	\$400/ton	\$26,300/ton	\$21,200/ton	\$13,300/ton

- Interest rate increases to 5%
 - Use 3-year average US treasury 10 year security rate + 2% incremental risk (rounded up to the next whole number)

BACT Policy Updates contact

Contact: Nick Peirce

Mail: San Joaquin Valley APCD
4800 Enterprise Way
Modesto, CA 95356

Phone: (209) 557-6447

Email: nick.peirce@valleyair.org

Website: <https://ww2.valleyair.org/permitting/best-available-control-technology/>