

**MEMORANDUM OF AGREEMENT  
("MEMORANDUM")**

**I. Parties**

This Memorandum is entered into between the Texas Natural Resource Conservation Commission (ATNRCC@) and the City of Dallas (ADallas@), collectively, the "Parties.@"

**II. Intent and Purpose**

The intent of this Memorandum is to memorialize the agreement between Dallas and the TNRCC to reduce emissions of oxides of nitrogen (NO<sub>x</sub>) at Love Field. Dallas is assisting the airlines in obtaining an overall ninety percent (90%) reduction of NO<sub>x</sub> emissions of ground support equipment by agreeing to provide emission reductions from other sources at Love Field or from other sources within the D/FW nonattainment area in an amount necessary to cover the difference between the ninety percent (90%) required by the TNRCC and the seventy-five percent (75%) proposed by Southwest Airlines, Inc. The Parties enter into this Memorandum for the purpose of making Dallas' reduction in emissions of nitrogen oxides (NO<sub>x</sub>) a part of the Texas State Implementation Plan ("SIP").

**III. Definitions**

As used in this Memorandum, the following terms have the meanings given below:

- (A) "EPA" shall mean the United States Environmental Protection Agency.
- (B) AGround Support Equipment@or AGSE@ shall mean equipment that is used to service aircraft during passenger, baggage and/or cargo loading and unloading, maintenance, and other ground-based operations as identified in the SIP.

(C) "TPD" shall mean tons per day.

(D) "D/FW ONA" shall mean the four-county Dallas/Fort Worth Ozone Nonattainment Area.

#### **IV. Background**

(A) The D/FW ONA has been designated as a serious non-attainment area for ozone by the EPA.

(B) Under Section 110 of the Federal Clean Air Act, 42 U.S.C. ' 7410, each state that has a non-attainment area must submit a plan to the EPA demonstrating strategies to come into compliance with the National Ambient Air Quality Standards ("NAAQS").

(C) Section 110 of the Federal Clean Air Act, 42 U.S.C. ' 7410 also requires Texas to submit to the EPA for approval any SIP revisions and to demonstrate that such SIP revisions will assist the Dallas/Fort Worth non-attainment area in reaching the NAAQS.

(D) Love Field, which is owned and operated by Dallas, consists of one or more sources as defined in Tex. Health & Safety Code ' 382.003(12).

(E) TNRCC has calculated that the projected total 2007 NO<sub>x</sub> emissions from GSE for the Dallas/Fort Worth nonattainment area is 6.8 tpd.

(F) On April 19, 2000, the TNRCC Commission adopted a SIP revision for the Dallas/Fort Worth area. The SIP revision includes a ninety percent (90%) reduction of NO<sub>x</sub> emissions from GSE (the GSE Rule). In order to reduce GSE emissions by ninety percent (90%), it is estimated that there must be a reduction of 6.12 tpd of NO<sub>x</sub> in the D/FW ONA.

## **V. Obligations of Parties**

(A) Dallas agrees as follows:

In accordance with the terms of this Memorandum, Dallas agrees to implement strategies to obtain reductions in the NO<sub>x</sub> emissions with respect to Love Field by December 31, 2004. Dallas agrees that the predicted amount of NO<sub>x</sub> emissions reductions that Dallas is responsible for achieving with respect to Love Field is 0.193 tpd.

Dallas agrees to submit to the Executive Director of the TNRCC by May 1, 2002, its plan to achieve this reduction.

Dallas may choose (but is not required) to make reductions from the following strategies:

1. Convert or purchase low emission vehicles and equipment for Aviation on-road and off-road fleet and small engine equipment;
2. Require, to the extent possible, that other airlines, owners, operators and users of GSE incrementally convert their equipment to electric and/or use other technologies to reduce emissions;
3. Ensure that all other airport tenants, contractors and owners/operators of shuttles and courtesy vehicles also incrementally convert their fleets to low emission vehicles; and
4. Implement employee-related measures that will reduce vehicle miles traveled, such as telecommuting, alternative work schedules, vanpool or carpool, incentives for using mass transit, etc.

Dallas may accomplish required emissions reductions in any manner that it chooses and

may propose one or more alternative strategies, subject to approval of its plan, as set forth herein. Dallas' plan will be approved by TNRCC if the emissions reductions or the effect on the environment from the strategies contained in the plan are predicted to achieve a reduction of 0.193 tpd in NOx emission. TNRCC's approval of Dallas' plan shall be made in a prompt and timely manner and shall not be unreasonably withheld.

Dallas may also comply with all or any part of its commitments through the use of NOx emission control measures which have been achieved elsewhere within the nonattainment area, or the purchase of NOx emission reduction credits or offsets, as long as such actions are creditable pursuant to the TNRCC Emissions Banking Program as defined in 30 TAC ' 101.29, or successor regulations, and Dallas can reasonably demonstrate that such measures have resulted in NOx emission reductions at least equal to those required or expected from the commitment being substituted.

Dallas will provide documentation sufficient to demonstrate the NOx reductions achieved by the strategies listed herein. Dallas also agrees to provide additional documentation as reasonably needed for submittal to EPA.

(B) TNRCC agrees as follows:

The TNRCC agrees to support this Memorandum as a revision to the SIP and to recommend that the Governor submit it as such to the EPA.

The TNRCC will not require Dallas to regulate the activities of entities that use Love Field.

Dallas understands, and TNRCC agrees, this Memorandum and the activities approved

hereunder are in conformity with both the existing rate of progress ozone SIP and with the clean air goals of the SIP. TNRCC will work with Dallas to ensure that any planned construction or other changes at Love Field which are strategies approved as part of the plan submitted under Section V.A of this Memorandum are included in the SIP and should therefore receive a timely and favorable conformity determination if one is required.

The Parties recognize that, for purposes of this Memorandum, the estimates and/or predictions of NO<sub>x</sub> emissions attributable to GSE operations within the D/FW ONA and at Love Field are based upon the best information available to TNRCC as of April 19, 2000. To the extent that other calculations of GSE NO<sub>x</sub> emissions attributable to commercial air carrier GSE are later show to be better or more accurate, the 0.193 tpd target contemplated in this Memorandum may be adjusted accordingly.

## **VI. Term**

The term of this Memorandum shall begin upon signature and approval by all Parties and shall expire on December 31, 2007 unless sooner terminated by mutual written consent of both Parties or by application of any of the other terms or conditions set forth in this Memorandum. Either Party may also terminate this Memorandum in the event that EPA does not agree to incorporate this Memorandum of Agreement into the SIP or disapproves the DFW attainment demonstration in the SIP of which this Memorandum is part.

If TNRCC is unable to achieve an agreement, prior to July 1, 2001, with Southwest

Airlines, Inc. which is calculated or estimated to reduce that carrier's contribution to the projected 2007 D/FW ONA GSE NOx emissions at Love Field by at least 75%, Dallas shall have the right to terminate this Memorandum. If such agreement or agreements described terminate for any reason prior to December 31, 2007, such that the majority of GSE at such airport are no longer covered by such agreement or agreements, Dallas shall have the right to terminate this Memorandum.

If TNRCC is unable to achieve agreements, prior July 1, 2001, with American Airlines, Inc. and American Eagle Airlines, Inc. which are calculated or estimated to reduce those carriers' contribution to the projected 2007 D/FW ONA GSE NOx emissions at Dallas-Fort Worth International Airport by at least 3.05 tpd, Dallas shall have the right to terminate this Memorandum. If such agreement or agreements described terminate for any reason prior to December 31, 2007, such that the majority of GSE at such airport are no longer covered by such agreement or agreements, Dallas shall have the right to terminate this Memorandum.

If TNRCC is unable to achieve an agreement, prior to July 1, 2001, with the Dallas/Fort Worth International Airport Board which is calculated or estimated to reduce the contribution to the projected 2007 D/FW ONA GSE NOx emissions at Dallas/Fort Worth International Airport by at least 1.305 tpd, Dallas shall have the right to terminate this Memorandum. If such agreement or agreements described terminate for any reason prior to December 31, 2007, such that the majority of GSE at such airport are no longer covered by such agreement or agreements, Dallas shall have the right to terminate this Memorandum.

If TNRCC is unable to achieve an agreement, prior to July 1, 2001, with the City of Fort Worth which is calculated or estimated to reduce the contributions to the projected 2007 D/FW ONA GSE NOx emissions at Alliance and Meacham Airports by at least 0.039 tpd, Dallas shall have the right to terminate this Memorandum. If such agreement or agreements described terminate for any reason prior to December 31, 2007, such that the majority of GSE at such airport are no longer covered by such agreement or agreements, Dallas shall have the right to terminate this Memorandum.

## **VII. Miscellaneous**

This Memorandum represents the entire agreement between the TNRCC and Dallas and supersedes all other agreements, understandings or commitments, written or oral relative to the subject matter of this Memorandum.

Because of the exceptional and unique air quality problems in the DFW area, Dallas has volunteered to implement measures to achieve the reductions referenced in this Memorandum. This Memorandum is not entered due to any non-compliance with any federal, state or local laws by Dallas or by Love Field. This Memorandum shall not constitute a “compliance” event as defined in 30 TAC Section 116.11 or any similar designation under federal, state or local law.

This Memorandum may not be amended or modified except pursuant to a mutual written agreement executed by each of the Parties.

This Memorandum shall be governed by and interpreted in accordance with the laws of the

State of Texas, without giving effect to the conflicts laws thereof.

Both Parties represent they have authority to enter into this Memorandum, including the authority granted in the Texas Government Code Chapter 791, Interlocal Cooperation Contracts, and upon approval of the TNRCC Commission and Dallas’s governing body, it will be binding on both Parties.

**In Witness Whereof**, TNRCC and Dallas, by their authorized officers, have made and executed this Memorandum in multiple copies, each of which is deemed an original.

**Texas Natural Resource Conservation Commission**  
“TNRCC”

By: \_\_\_\_\_  
Name: Jeffrey A. Saitas, P.E.  
Title: Executive Director

**City of Dallas, Texas**  
“Dallas”

By: \_\_\_\_\_  
Name: Ramon Miguez  
Title: Assistant City Manager

Approved As To Form  
Madeleine A. Johnson  
City Attorney

By: \_\_\_\_\_  
Assistant City Attorney

**PASSED AND APPROVED** at the regular meeting of the Texas Natural Resource Conservation Commission on \_\_\_\_\_.

**TEXAS NATURAL RESOURCE CONSERVATION COMMISSION**

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**For the Commission**