NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

To: Governor's Office of Planning and Research - From: South Coast Air Quality Management District

State Clearinghouse 21865 Copley Drive 1400 Tenth St, Suite 222 Diamond Bar, CA 91765 Sacramento, CA 95814-5502

Project Title: Proposed Amended Regulation XIII – New Source Review, Regulation XX – Regional Clean Air Incentives Market, and Regulation XXX – Title V Permits

Project Location: The proposed project is located in the Coachella Valley portion, excluding tribal lands, of the South Coast Air Quality Management District (South Coast AQMD) jurisdiction. The Coachella Valley consists of the Riverside County portion of the Salton Sea Air Basin.

Description of Nature, Purpose, and Beneficiaries of Project: Due to the reclassification of the Coachella Valley from Severe to Extreme nonattainment for the 1997 8-hour ozone standard, South Coast AQMD is required to amend rules within Regulation XIII, Regulation XX and Regulation XXX to reflect the Coachella Valley's new attainment status. The proposed amendments to Regulations XIII, XX, and XXX would lower the major source thresholds for volatile organic compound (VOC) and nitrogen oxides (NOx), which are ozone precursors, in the Coachella Valley from 25 tons per year to 10 tons per year and lower the major modification thresholds for VOC and NOx in the Coachella Valley from 25 tons per year to one pound per day. This would make the thresholds in the Coachella Valley and consistent with the South Coast Air Basin. Additional amendments are proposed to correct rule references and improve rule clarity such as adding California Code of Regulation references for the definitions of the Riverside County portion of the Salton Sea Air Basin and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

Public Agency Approving Project: Agency Carrying Out Project:

South Coast Air Quality Management District South Coast Air Quality Management District

Exempt Status:

CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

CEQA Guidelines Section 15308 - Actions by Regulatory Agencies for Protection of the Environment

Reasons why project is exempt: South Coast AQMD, as Lead Agency, has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Lowering the major source threshold would only affect two facilities. Since these facilities' actual emissions are much lower than the thresholds, they are anticipated to reduce their permit limits to stay below the thresholds and no physical facility modifications are necessary. Currently, state regulations require the use of a one pound per day threshold for major modification, therefore, lowering the federal major modification threshold to that same level would not have any impacts on facilities. Since the proposed project would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. The proposed project is also categorically exempt from CEQA pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment, because the proposed project establishes more stringent emission thresholds for facilities located in the Coachella Valley. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption pursuant to CEQA Guidelines Section 15300.2 apply to the proposed project.

Date of Project Approval: South Coast AQMD Governing Board Hearing: December 4, 2020

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Date Received for Filing: Signature: Such Latter

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Planning, Rule Development, and Area Sources