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

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

State Clearinghouse District

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

Project Title: Proposed Amendments to the Best Available Control Technology (BACT) Guidelines

Project Location: The proposed project is located within the South Coast Air Quality Management District's (South Coast AQMD) jurisdiction, which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portion of the Salton Sea Air Basin and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

Description of Nature, Purpose, and Beneficiaries of Project: Amendments to the BACT Guidelines are proposed that would update the Overview, plus Parts A, B, C, and D to maintain consistency with recent changes to South Coast AQMD rules and regulations and state requirements.

The following amendments are proposed: 1) update the Overview to change the name of the division overseeing the BACT Guidelines from "Science and Technology Advancement" to "Engineering and Permitting" in accordance with Governing Board direction; 2) update the hyperlink to the list of current BACT Scientific Review committee (SRC) members in the Overview; 3) add a section in the Overview, Part A – Policy and Procedures for Major Polluting Facilities, and Part C – Policy and Procedures for Non-Major Polluting Facilities, to address the limited BACT exemption in Rule 1304 – Exemptions, which is applicable to new or modified permit units located at any facility currently or formerly subject to Regulation XX – Regional Clean Air Incentives Market (RECLAIM), for emission increases of particulate matter sized 10 microns or less (PM10) and sulfur oxides (SOx) associated with the installation or modification of add-on air pollution control equipment for controlling nitrogen oxide (NOx) emissions to comply with NOx Best Available Retrofit Control Technology (BARCT) emission limits.

The following amendments to Part B – Lowest Achievable Emission Rate (LAER) Determinations for Major Polluting Facilities, are proposed: 1) revise Section I – South Coast AQMD LAER/BACT Determinations, to add one new listing for Internal Combustion (I.C.) Engine – Stationary, Non-Emergency with Selective Catalytic Reduction (SCR), Natural Gas (NG) Fired, and to update three listings for: a) Boiler, Fire-tube, NG Fired less than (<) 20 million British Thermal Unit per hour (mmBTU/hr), b) Rotary Dryer-Aggregate Facility, NG Fired, and c) Roller Coater – Paper and Film, with Regenerative Thermal Oxidizer (RTO) for Volatile Organic Compound (VOC) Control; and 2) revise Section II – Other LAER/BACT Determinations, to add one new listing for Fumigation - Methyl Bromide (CH₃Br) Fumigation Chamber greater than or equal to (\geq) 100,000 pounds (lbs) of CH₃Br per year, and to update one listing for I.C. Engine-Compression Ignition \geq 1,000 brake horsepower (BHP) - Stationary Emergency including Non-Agricultural and Non-Direct Drive Fire Pump.

In addition, an amendment to Part C is proposed that would make the Maximum Cost-Effectiveness Values in Table 5 consistent with the third quarter 2021 Marshall and Swift equipment index in accordance with BACT Guidelines policy.

The following amendments to Part D – BACT Determinations for Non-Major Polluting Facilities, are proposed that would reflect equipment and processes which have been achieved in practice and to maintain consistency with recent changes to South Coast AQMD rules and state requirements by: 1) adding one new listing for I.C. Engine– Stationary, Non-Emergency, Electrical with SCR, NG Fired; and 2) updating four listings for: a) Composting, b) I.C. Engine, Stationary, Emergency, c) Open Process Tanks: Chemical Milling (Etching) and Plating, and d) Printing (Graphic Arts).

Public Agency Approving Project:

Agency Carrying Out Project:

South Coast Air Quality Management District

South Coast Air Quality Management District

NOTICE OF EXEMPTION FROM CEQA (concluded)

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. Since the proposed project is comprised of new information and updates that reflect current practices of LAER/BACT determinations in the BACT Guidelines and the most current achieved-in-practice air pollution control equipment and/or processes, and makes administrative amendments without requiring physical modifications, 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 BACT Guidelines are designed to further protect or enhance the environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption set forth in CEQA Guidelines Section 15300.2 – Exceptions, apply to the proposed project.

Date of Project Approval:

South Coast AQMD Governing Board Public Hearing: September 2, 2022

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Date Received for Filing: Signature:

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Implementation