



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SUBJECT: NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL ASSESSMENT, INITIAL STUDY, AND OPPORTUNITY FOR PUBLIC COMMENT

PROJECT TITLE: PROPOSED RULE 2305 – WAREHOUSE INDIRECT SOURCE RULE - WAREHOUSE ACTIONS AND INVESTMENTS TO REDUCE EMISSIONS (WAIRE) PROGRAM; AND PROPOSED RULE 316 – FEES FOR REGULATION XXIII

In accordance with the California Environmental Quality Act (CEQA), the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Preparation (NOP) of the Draft Environmental Assessment (EA) and Initial Study (IS) to analyze environmental impacts from the project identified above pursuant to its certified regulatory program (Public Resources Code Section 21080.5, CEQA Guidelines Section 15251(l), and South Coast AQMD Rule 110). The NOP/IS includes a project description and analysis of potential adverse environmental impacts that could be generated from the proposed project. The NOP/IS serves two purposes: 1) to solicit information on the scope of the environmental analysis for the proposed project, and 2) to notify public agencies and the public that the South Coast AQMD will prepare a Draft EA to further assess potential adverse environmental impacts that may result from implementing the proposed project.

This letter, the attached NOP and the IS are not South Coast AQMD applications or forms requiring a response from you. Their purpose is simply to provide information to you on the above project. If the proposed project has no bearing on you or your organization, no action on your part is necessary. The IS and other relevant documents may be obtained by calling the South Coast AQMD Public Information Center at (909) 396-2001 or accessing the South Coast AQMD's website at: <http://www.aqmd.gov/home/library/documents-support-material/lead-agency-scaqmd-projects>.

Comments focusing on your area of expertise, your agency's area of jurisdiction, if applicable, or issues relative to the environmental analysis for the proposed project will be accepted during a 32-day public review and comment period beginning Friday, November 13, 2020 and ending at 5:00 p.m. on Tuesday, December 15, 2020. **Please send any comments relative to the CEQA analysis in the IS to Mr. Ryan Bañuelos (c/o CEQA) at the address shown above. Comments can also be sent via email to rbanuelos@aqmd.gov, facsimile to (909) 396-3982.** Please include the name and phone number of the contact person for your organization. Questions regarding the proposed rule language should be directed to Mr. Victor Juan at (909) 396-2374 or by email to vjuan@aqmd.gov.

Because the proposed project may have statewide, regional, or areawide significance, a CEQA scoping meeting is required pursuant to Public Resources Code Section 21083.9(a)(2). The CEQA scoping meeting will be held via video conferencing and by telephone on December 2, 2020 at 1:30 PM. PR 2305 and PR 316 are scheduled to be considered for adoption at the Governing Board Meeting (Public Hearing) on March 5, 2021 at 9:00 a.m. This date is subject to change. Meeting agendas, which include details on how the public can participate electronically, are posted at least 72 hours prior to the meeting and are available from South Coast AQMD's website at: <http://www.aqmd.gov/home/newsevents/meeting-agendas-minutes>.

Date: November 12, 2020

Signature: 

Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources
South Coast Air Quality Management District

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive, Diamond Bar, CA 91765-4182

NOTICE OF PREPARATION (NOP) OF A DRAFT ENVIRONMENTAL ASSESSMENT (EA), INITIAL STUDY (IS), AND OPPORTUNITY FOR PUBLIC COMMENT

Project Title: Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program; and Proposed Rule 316 – Fees for Regulation XXIII

Project Location: The proposed project may affect existing and new warehouses located throughout the South Coast Air Quality Management District (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: The proposed project is comprised of Proposed Rule (PR) 2305, including a mitigation program component, PR 316 to recover administrative costs, and the submittal of PR 2305 into the State Implementation Plan (SIP). PR 2305 has been developed to facilitate local and regional emission reductions associated with existing and new warehouses with an indoor warehouse floor space equal to or greater than 100,000 square feet within a single building and the mobile sources attracted to these warehouses. Under PR 2305, operators of applicable existing and new warehouses would be subject to an annual Warehouse Actions and Investments to Reduce Emissions (WAIRE) Points Compliance Obligation (WPCO) intended to reduce regional and local emissions from warehouse indirect sources. To meet the WPCO, WAIRE Points can be earned by warehouse operators and/or owners by selecting from a menu of implementation measures: 1) acquiring and/or using near-zero emissions (NZE) and zero-emission (ZE) trucks; 2) acquiring and/or using ZE yard trucks; 3) installing and/or using ZE charging/fueling infrastructure (e.g., electric charger, hydrogen fuel station) for cars, trucks, and/or transport refrigeration units; 4) installing and/or using onsite energy systems (e.g., solar panels); and 5) implementing community benefits (e.g., air filters for sensitive receptors). In addition, warehouse operators may apply to earn WAIRE Points through a custom WAIRE Plan specific to their operations that satisfy prescribed performance metrics. WAIRE Points may be earned only for “surplus” actions that go beyond existing state and federal regulations. In lieu of satisfying the WPCO via implementation measures, a warehouse operator may choose to pay an optional mitigation fee to the South Coast AQMD that would be used in a mitigation program to achieve the emissions reductions. Similar to the measures used to earn WAIRE Points, the mitigation program would implement measures such as subsidizing the purchase of NZE and ZE trucks and/or the installation of charging and fueling infrastructure for ZE trucks. The mitigation program would prioritize use of the mitigation fees in areas near the warehouses using this compliance option. Therefore, the environmental impacts associated with the mitigation program are similar to implementation of measures to earn WAIRE Points and are analyzed in this NOP/IS. Implementation of the proposed project is expected to result in emission reductions of nitrogen oxides and particulate matter, including diesel particulate matter and reduced associated public health impacts from warehouse activities which will vary depending upon the implementation measures employed. There may be additional industrial properties and warehouse operators and owners that will only be required to provide reports but will not be required to earn WAIRE Points. PR 2305 will be submitted into the State Implementation Plan. PR 316 has been developed to establish fees to be paid by warehouses subject to PR 2305 to recover South Coast AQMD administrative costs associated with submittal and review of various notifications and reports, custom WAIRE Plan evaluation, and implementing a program using mitigation fees from warehouse operators that chose to pay a mitigation fee, as well as compliance activities such as conducting desktop audits, onsite inspections, and reviewing records. While reducing emissions is an environmental benefit, the NOP/IS identifies potentially significant adverse impacts to the environmental topic areas of air quality and greenhouse gas emissions, energy, and transportation (traffic). Warehouses that will be subject to the proposed project may be identified on lists compiled by the California Department of Toxic Substances Control per Government Code Section 65962.5.

Lead Agency: South Coast Air Quality Management District	Division: Planning, Rule Development and Area Sources
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The NOP/IS is available from South Coast AQMD's website at: http://www.aqmd.gov/home/rules-compliance/ceqa/lead-agency-documents	or by calling: (909) 396-2001	PR 2305, PR 316, and all supporting documentation are available from South Coast AQMD's website at: http://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules#2305
or by emailing: PICrequests@aqmd.gov		

The Notice of Preparation of the Draft EA and Initial Study is provided to the public through the following:

<input checked="" type="checkbox"/> Los Angeles Times (November 13, 2020)	<input checked="" type="checkbox"/> South Coast AQMD Mailing List & Interested Parties
<input checked="" type="checkbox"/> South Coast AQMD Website	<input checked="" type="checkbox"/> South Coast AQMD Public Information Center

NOP/IS Review Period (32 days): Friday, November 13, 2020 – Tuesday, December 15, 2020

Scheduled Public Meeting Dates (subject to change): The proposed project may have statewide, regional, or areawide significance; therefore, a CEQA scoping meeting is required (pursuant to Public Resources Code Section 21083.9(a)(2) and CEQA Guidelines Section 15162(d)) and will be held on Wednesday, December 2, 2020 at 1:30 p.m. PR 2305 and PR 316 are scheduled to be considered for adoption at the Governing Board Meeting (Public Hearing) on March 5, 2021 at 9:00 a.m. This date is subject to change. Board meeting agendas, which include details on how the public can participate electronically, are posted at least 72 hours prior to the meeting and are available from South Coast AQMD's website at: <http://www.aqmd.gov/home/news-events/meeting-agendas-minutes>.

Send CEQA Comments to: Ryan Bañuelos	Phone: (909) 396-3479	Email: rbañuelos@aqmd.gov	Fax: (909) 396-3982
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Direct Questions on PR 2305 and PR 316 to: Victor Juan	Phone: (909) 396-2374	Email: vjuan@aqmd.gov	Fax: (909) 396-3324
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