

NOTICE OF PUBLIC WORKSHOP Proposed Amendments to RECLAIM

**July 22, 2015, Wednesday
1:30 p.m.
SCAQMD Headquarters, Auditorium
21865 Copley Drive
Diamond Bar, CA 91765**

Purpose of this Meeting

The South Coast Air Quality Management District (SCAQMD) has scheduled a public workshop in order to obtain additional comments, information, and suggestions from the public regarding proposed amendments to **Regulation XX - Regional Clean Air Incentives Market (RECLAIM)**, a market-based incentive program, and on achieving the air quality objectives discussed below. Regulation XX is scheduled to be amended at a Public Hearing before the SCAQMD Governing Board on October 2, 2015.

Air Quality Objective

Under the proposal, the amendments to Regulation XX would seek additional Nitrogen Oxides (NO_x) emission reductions from the program pursuant to: 1) the 2012 AQMP control measure CMB-01; 2) state law requirements that district rules require Best Available Retrofit Control Technology (BARCT); and 3) the state law requirement that market-based programs achieve equivalent emission reductions to traditional command-and-control regulations at equivalent or less cost.

Proposed Rule Amendments

In conjunction with staff's proposal, which is for 14 tons per day of NO_x reductions by 2022, SCAQMD staff is soliciting comments on other proposals under consideration that would result in emission reductions ranging from 8.81 to 15.87 tons per day of NO_x. In addition, staff is analyzing methods by which reductions could be achieved, such as equal percent reductions across-the-board for all RECLAIM trading credits (RTCs), or industry- or facility-specific reductions. A portion of the RTC reductions for power producing facilities at BARCT or BACT may be placed into an adjustment account where the RTCs would be used for compliance purposes, such as meeting new source review holding requirements. A portion of the reductions from other selected affected facilities would be treated as non-tradable which may be accessed if the discrete year RTC price exceeds a specified threshold dollar amount per ton. Additional changes under consideration would include a delay in RATA due dates for specified situations in Rules 2011 and 2012, length of time provisions for quantifying allocations, and corrections to terms and definitions.

California Environmental Quality Act

Pursuant to California Environmental Quality Act (CEQA) Guidelines §15252 and §15168 and SCAQMD Rule 110, the SCAQMD is preparing a Draft Program Environmental Assessment (PEA) for the proposed amendments to Regulation XX - RECLAIM. A Notice of Preparation/Initial Study (NOP/IS) was released for a 57-day public review and comment period from December 5, 2014 to January 30, 2015 which identified the environmental topics of aesthetics; air quality and greenhouse gas emissions; energy; hydrology and water quality; hazards and hazardous materials; solid and hazardous waste; and, transportation and traffic, as potentially being significantly adversely affected by the project. Since the proposed project may have statewide, regional or area wide significance, a CEQA scoping meeting is required and was held for the proposed project pursuant to Public Resources Code §21083.9 (a)(2) on January 8, 2015. Eight comment letters were received from the public regarding the preliminary analysis in the NOP/IS. The Draft PEA, upon its release, will be available for a 45-day public review and comment period, and will contain responses to the comments made at the CEQA Scoping meeting and the comment letters received relative to the NOP/IS. Questions regarding the CEQA analysis and the upcoming release of the Draft PEA may be directed to:

Barbara Radlein
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765
Phone: (909) 396-2716
Email: bradlein@aqmd.gov
Fax: (909) 396-3324

Available Supporting Documents

The following supporting documents will be made available on or before the public workshop:

- Proposed Amended Regulation XX
- Preliminary Draft Staff Report

To Obtain Copies of the Above Documents

Copies of the documents listed are available and may be obtained from:

Mr. Philip Crabbe III
Public Information Center
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765
(909) 396-2039

The documents are also available for download from the SCAQMD website at:
<http://www.aqmd.gov/home/regulations/rules/proposed-rules>

Submissions of Documents or Comments

The public is requested to send comments, documents or other information relevant to these proposals to:

Mr. Gary Quinn
Planning, Rules and Area Source
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765
Phone: (909) 396-3121
Fax: (909) 396-3324
Email: gquinn@aqmd.gov

Written comments regarding the proposed rule amendments submitted by August 5, 2015 will be responded to in the staff report, which is part of the information considered by the SCAQMD Governing Board.