

BOARD MEETING DATE: April 7, 2023

AGENDA NO. 2

PROPOSAL: Set Public Hearings May 5, 2023 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations:

A. Determine That Proposed Amendments to Regulation III – Fees Are Exempt from CEQA; Amend Regulation III – Fees; and Adopt Executive Officer’s Proposed Goals and Priority Objectives, and Proposed Budget for FY 2023-24

The Executive Officer's Proposed Goals and Priority Objectives, and Proposed Budget for FY 2023-24 have been developed and are recommended for adoption. Proposed Amended Regulation III include: an increase of most fees by the Consumer Price Index of 5.6 percent for both pre- and post year 2010; new or increased permitting fees in Regulation III which are necessary to provide more specific cost recovery for regulatory actions taken by the agency; and administrative changes in Regulation III that include clarifications, deletions, insertions, or corrections of existing rule language, which have no fee impact. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Regulation III - Fees are exempt from the California Environmental Quality Act; and 2) Amending Regulation III. This action is also to adopt the Executive Officer’s Proposed Goals and Priority Objectives, and Proposed Budget for FY 2023-24. (Review: Special Board Meeting/Budget Workshop, April 7, 2023)

B. Determine That Proposed Amended Rule 463 – Organic Liquid Storage and Proposed Amended Rule 1178 – Further Reductions of VOC Emission from Storage Tanks at Petroleum Facilities, Are Exempt from CEQA; and Amend Rule 463 and Amend Rule 1178

Proposed Amended Rules 463 and 1178 address U.S. EPA’s limited disapproval of CARB’s Oil and Gas Methane Rule, which relies on the applicability provisions in Rules 463 and 1178. Proposed amendments to Rules 463 and 1178 are required to align the applicability threshold for storage tanks to demonstrate compliance with reasonably available control technology pursuant to U.S. EPA’s 2016 Control Techniques

Guidelines for the Oil and Natural Gas Industry. This action is to adopt the Resolution: 1) Determining that Proposed Amended Rule 463 – Organic Liquid Storage and Proposed Amended Rule 1178 – Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities, are exempt from the requirements of CEQA; 2) Amending Rule 463; and 3) Amending Rule 1178. (Reviewed: Stationary Source Committee, March 17, 2023)

The complete text of the proposed amended rules, staff report and other supporting documents will be available from the South Coast AQMD's Public Information Center at (909) 396-2001, or Mr. Derrick Alatorre – Deputy Executive Officer/Public Advisor, South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765, (909) 396-2432, dalatorre@aqmd.gov and on the Internet (www.aqmd.gov) as of April 5, 2023.

RECOMMENDED ACTIONS:

Set public hearings May 5, 2023 to 1) determine that the Proposed Amendments to Regulation III are Exempt from CEQA, Amend Regulation III, and Adopt the Executive Officer's Proposed Goals and Priority Objectives and Proposed Budget for FY 2023-24; and 2) determine that Proposed Amended Rule 463 and Proposed Amended Rule 1178 are exempt from CEQA, Amend Rule 463, and Amend Rule 1178.

Wayne Natri
Executive Officer

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