

BOARD MEETING DATE: June 7, 2024

AGENDA NO. 2

PROPOSAL: Set Public Hearings August 2, 2024 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations:

A. Determine That Proposed Amended Rule 1148.1 – Oil and Gas Production Wells, Is Exempt from CEQA; and Amend Rule 1148.1

Rule 1148.1 – Oil and Gas Production Wells applies to facilities that operate oil and gas wells. Proposed Amended Rule (PAR) 1148.1 will address objectives of the Wilmington, Carson, and West Long Beach and South Los Angeles AB 617 communities. PAR 1148.1 requires the use of enhanced leak detection technology, equipment that uses produced gas to meet specific NOx limits, and workover rigs to use Tier 4 Final diesel engines. PAR 1148.1 also bans the use of odorants and updates signage requirements. This action is to adopt the Resolution: 1) Determining that Proposed Amended Rule 1148.1 – Oil and Gas Production Wells, is exempt from the requirements of the California Environmental Quality Act, and 2) Amending Rule 1148.1. (Reviewed: Stationary Source Committee, May 17, 2024)

B. Determine That Proposed Rule 2306 – Freight Rail Yards Does Not Require a New Environmental Document; Determine That Proposed Rule 316.2 – Fees for Rule 2306 Is Exempt From CEQA; and Adopt Proposed Rules 2306 and 316.2

Proposed Rule 2306 seeks to reduce NOx emissions associated with freight rail yard operations by requiring operators of freight rail yards to meet or exceed emission reduction targets. The proposed rule will ensure that emission reductions will be proportional or greater in the South Coast AQMD relative to reductions throughout California from implementation of state regulations. Additionally, any state or local government agency contracting with the owner or operator of a freight rail yard in relation to its lease, construction, or operation will be required to include requirements for rule compliance in new, renewed, or amended contracts. Proposed Rule 316.2 will establish fees for owners and operators of freight rail yards to recover costs incurred by South Coast AQMD for implementation of Proposed Rule

2306. If adopted, Proposed Rule 2306 will be submitted to CARB for their consideration and transmittal to U.S. EPA. (Reviewed: Mobile Source Committee, January 19, 2024, April 19, 2024, and June 21, 2024)

The complete text of the proposed and 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 July 2, 2024.

RECOMMENDED ACTIONS:

Set Public Hearings August 2, 2024 to: 1) Determine That Proposed Amended Rule 1148.1 – Oil and Gas Production Wells, Is Exempt from CEQA; and Amend Rule 1148.1; and 2) A. Determine That Proposed Rule 2306 – Freight Rail Yards Does Not Require a New Environmental Document; Determine That Proposed Rule 316.2 – Fees for Rule 2306 Is Exempt From CEQA; and Adopt Proposed Rules 2306 and 316.2

Wayne Nastri
Executive Officer

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