NOTICE OF DECISION

To: Office of the Secretary for Resources Fro General Counsel's Office 1416 9th Street, Suite 1311 Sacramento, CA 95814

From: SCAQMD Planning, Rule Development & Area Sources 21865 Copley Drive Diamond Bar, CA 91765

- Subject: Filing of Notice of Decision in compliance with Public Resources Code Section 21080.5(d)(2)(E), CEQA Guidelines Sections 15252(b) and 15094(b), and SCAQMD Rule 110(f)
- **Project Title**: Final Mitigated Subsequent Environmental Assessment (SEA) for Proposed Amended Rule 1135 – Emissions of Oxides of Nitrogen from Electricity Generating Facilities

Lead Agency: South Coast Air Quality Management District (SCAQMD)

SCH Number: 2016071006	Date Certified: November 2, 2018
SCAQMD Number: 09142018RB	
Contact Person: Ryan Bañuelos	Telephone Number: (909) 396-3479

Project Location: The project will affect facilities subject to Rule 1135 located within the SCAQMD's jurisdiction, which encompasses all of Orange County, the urban portions of Los Angeles and San Bernardino counties southwest of the San Bernardino and San Gabriel mountains, and nearly all of Riverside County, with the exception of communities near the state border.

Project Description: SCAQMD staff amended Rule 1135 to reduce oxide of nitrogen emissions (NOx) emissions from RECLAIM and non-RECLAIM electricity generating facilities which are owned or operated by an investor-owned electric utility, a publicly owned electric utility, or have electric generating units with a combined generation capacity of 50 megawatts or more of electrical power for distribution in the state or local electrical grid system. The November 2018 amendments to Rule 1135: 1) expanded the rule's applicability to include units at RECLAIM electricity generating facilities and units at electricity generating facilities that were not at electric power generating systems previously subject to Rule 1135; 2) updated the NOx and ammonia emission limits for boilers and gas turbines; 3) established NOx emission limits and added new emission limits for ammonia, carbon monoxide, volatile organic compounds, and particulate matter for internal combustion engines; 4) revised monitoring, reporting, and recordkeeping requirements; and 5) revised exemptions. The project is estimated to reduce NOx emissions by 1.7 tons per day after implementation of the BARCT limits. Although the reduction of NOx emissions are expected to create an environmental benefit and protect public health, the activities that the affected facilities may undertake to ensure compliance with amended Rule 1135 may also create potentially significant adverse environmental impacts for the topic of hazards and hazardous materials due to the storage and use of aqueous ammonia. As such, mitigation measures were crafted that were shown to reduce the potentially significant adverse hazards and hazardous materials impacts to less than significant levels. No other environmental topic areas were identified as having potentially significant adverse environmental impacts.

Thus, the Final Mitigated SEA concluded that amended Rule 1135 would not result in significant adverse impacts to any environmental topic areas, including the topic of hazards and hazardous materials after mitigation measures are applied.

This is to advise that the SCAQMD has certified the Final Mitigated SEA and approved the above described project, and has made the following determinations:

- 1. The Final Mitigated SEA was prepared pursuant to SCAQMD's Certified Regulatory Program.
- 2. The Final Mitigated SEA concluded that the project will not have a significant effect on the environment for any environmental topic area, including the topic of hazards and hazardous materials, after mitigation measures are applied.
- 3. Because the Final Mitigated SEA concluded that the project will not have a significant adverse impact on the environment after mitigation, mitigation measures were included as a condition of approval of this project. Thus, a Mitigation Monitoring and Reporting Plan, pursuant to Public Resources Code Section 21081.6 and CEQA Guidelines Section 15097, was required and adopted for this project.
- 4. Findings pursuant to CEQA Guidelines Section 15091 and a Statement of Overriding Considerations pursuant to CEQA Guidelines Section 15093 were not required or adopted for this project.

The Final Mitigated SEA, supporting documentation, and record of project approval may be examined at: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765.

Date Received for Filing

Signature:

Barbara Radlein Program Supervisor, CEQA Planning, Rule Development, and Area Sources