



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4182
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February 4, 2011

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

To Whom It May Concern:

Enclosed please find two copies of the Notice of Decision (NOD) for the CEQA document prepared for Proposed Rule (PR) 1315 – Federal New Source Review Tracking System. The Final Program Environmental Assessment (PEA) for PR 1315 was prepared pursuant to CEQA and the South Coast Air Quality Management District's (SCAQMD) certified regulatory program. The PEA was certified by SCAQMD's Governing Board at its February 4, 2011, Public Hearing and PR 1315 was adopted at that time. Please record and post the NOD according to the provisions of CEQA.

SCAQMD Rule 110 requires that written responses to public comments on a SCAQMD CEQA document be filed with the Secretary of Resources along with the NOD. Six comment letters were received on the Draft PEA for PR 1315 and responses to public comments are included in Appendix J of the Final PEA. Due to the large size of the document, the Final PEA, including Appendix J, have been burned on the enclosed cd-rom and are presented for filing.

The PEA concluded the project would result in significant impacts on biological resources and, thus, in accordance with the California Department of Fish and Game Code §753.5(a)(6) - Collection of Filing Fees, the project is subject to filing fees. However, projects subject to a certified regulatory program pursuant to §21080.5 of the Public Resources Code shall incur a fee adjusted annually pursuant to §711.4, Title 14, California Code of Regulations (CCR). As of January 1, 2011, the filing fee is \$965.50 for certified regulatory program documents. A check for that amount is enclosed to comply with the requirements of the Department of Fish and Game and ensure immediate posting of the NOD.

Please confirm receipt of the NOD and return one copy to the undersigned. Two return envelopes have been provided for your convenience (one for the confirmed copy upon receipt, and one for the original NOD to be returned after the posting period). If you have any questions, please call me at (909) 396-3054 or Michael Krause at (909) 396-2706.

Sincerely,

Steve Smith, Ph.D.
CEQA Program Supervisor
Planning, Rule Development and Area Sources

Enclosures

NOTICE OF DECISION

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

From: SCAQMD
Planning, Rules and Area Sources
21865 Copley Drive
Diamond Bar, CA 91765

Subject: FILING OF NOTICE OF DECISION IN COMPLIANCE WITH §21080.5 OF THE PUBLIC RESOURCES CODE

Project Title: Final Program Environmental Assessment: Proposed Rule (PR) 1315 – Federal New Source Review Tracking System

Lead Agency: South Coast Air Quality Management District

SCAQMD Number: 100909MKSS
State Clearinghouse No.: 2009031044

Date Certified: February 4, 2011

Contact Person: Steve Smith

Telephone Number: (909) 396-3054

Project Location: South Coast Air Quality Management District area of jurisdiction: South Coast Air Basin (all of Orange County and the nondesert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin and Mojave Desert Air Basin

Project Description: The project consists of adopting proposed Rule (PR) 1315, which codifies new and existing procedures for establishing equivalency with federal offset requirements for various emissions sources that obtain offsets pursuant to SCAQMD Rule 1309.1 – Priority Reserve, or that are exempt from offset requirements pursuant to SCAQMD Rule 1304 – Exemptions. The amount of offsets needed for federal major sources relying on the SCAQMD internal offset accounts to meet the federal NSR requirements will be debited from SCAQMD's offset accounts. PR 1315 specifies the types of reductions that may be deposited into the SCAQMD's internal accounts, including newly tracked reductions; requires SCAQMD to track annually all eligible offsets deposited into the SCAQMD internal offset accounts; and imposes cumulative annual caps based on 2007 AQMP growth projections for each nonattainment pollutant as a backstop measure to ensure that the net emission increases, if any, attributable to both federal major and non-major sources are consistent with the analysis in the PEA. The analysis shows that use of emission offsets from the SCAQMD's internal offset accounts would generate significant adverse air quality, visibility, and greenhouse gas impacts from new or modified sources using the emission offsets. In addition, significant adverse indirect environmental impacts from siting, constructing, and operating these facilities would occur.

This is to advise that the South Coast Air Quality Management District has approved the above described project and has made the following determinations regarding the above described project:

1. A Final Program Environmental Assessment (PEA) for PR 1315 was approved pursuant to the provisions of CEQA and SCAQMD Rule 110.
2. The Final PEA concluded that the proposed project would have significant effects on the environment.
3. A mitigation measure was incorporated into Rule 1315.
4. Findings, a Statement of Overriding Considerations and Mitigation Monitoring Program were adopted for this project pursuant to CEQA Guidelines §§15091, 15093 and 15097, respectively.

This is to certify that the Final PEA, supporting documentation, and record of project approval may be examined at: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765.

Date Received for Filing

Signature: _____
Steve Smith, Ph.D.
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources