

September 6, 2013

Office of the Secretary of 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 California Environmental Quality Act (CEQA) document prepared for Proposed Rule (PR) 1304.1 – Electrical Generating Facility Fee for Use of Offset Exemption. The Final Environmental Assessment (EA) for PR 1304.1 was prepared pursuant to CEQA Guidelines §15252 and the South Coast Air Quality Management District's (SCAQMD) certified regulatory program. The CEQA document was certified by SCAQMD's Governing Board at its September 6, 2013 Public Hearing. Please record and post the NOD according to the provisions of Public Resources Code §21080.5 (d)(2)(E).

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. One comment letter was received on the Draft EA. The comment letter received and responses to the comments are attached.

It was determined that the proposed project qualifies for the “no effect” fee exemption in accordance with the recently revised Department of Fish and Game Code §711.4, Title 14, California Code of Regulations (CCR) and, therefore, a copy of the signed Department of Fish and Game “no effect” fee exemption form is attached to prove compliance and ensure immediate posting of the NOD.

Please confirm receipt of one copy of the NOD and return it 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) 396-2706 or Jeff Inabinet at (909) 396-2453.

Sincerely,

Michael Krause
CEQA Program Supervisor
Planning, Rule Development and Area Sources

Enclosures

NOTICE OF DECISION

To: Office of the Secretary of 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 (d)(2)(E) OF THE PUBLIC RESOURCES CODE

Project Title: Proposed Rule (PR) 1304.1 – Electrical Generating Facility Fee for Use of Offset Exemption

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

SCAQMD Number: 070513JI **Date Certified:** September 6, 2013
SCH No.: 2013041020

Contact Person: Jeff Inabinet **Telephone Number:** (909) 396-2453

Project Location: SCAQMD 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 purpose of PR 1304.1 – Electrical Generating Facility (EGF) Fee for Use of Offset Exemption, is to require any EGF that elects to use a specific offset exemption (Rule 1304 (a)(2)) to pay annual fees or a single, up-front fee for the amount of offsets provided by the SCAQMD. Offsets in SCAQMD internal accounts are valuable public goods. The purpose of this rule is to recoup the fair market value of offsets procured by eligible EGFs electing to use such offsets to comply with Rule 1304 (a)(2). The fee proceeds will be invested in air pollution improvement projects that further the goals of the 2012 Air Quality Management Plan (AQMP). The proposed rule affects all EGFs that elect to use the offset exemptions described in Rule 1304 (a)(2), but not those facilities that meet their emissions obligations through privately held/procured emission reduction credits (ERCs). Based on a “worst-case” analysis, the potential adverse operational air quality/GHG impacts from the adoption and implementation of the proposed project are considered significant and unavoidable.

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. The project will have a significant impact on the environment.
2. Since mitigation measures were not identified for this project, mitigation measures not were made a condition of the approval of this project.
3. Since mitigation measures were not identified for this project, a mitigation monitoring program under PRC § 21081.6 was not adopted for this project.
4. Findings pursuant to CEQA Guidelines §15091 were adopted for this project.
5. A Statement of Overriding Considerations was pursuant to CEQA Guidelines §15093 adopted for this project.

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

Date Received for Filing

Signature: _____
Michael Krause
CEQA Program Supervisor
Planning, Rules, and Area Sources