



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

PROJECT TITLE: PROPOSED AMENDED RULE 1178 – FURTHER REDUCTION OF VOC EMISSIONS FROM STORAGE TANKS AT PETROLEUM FACILITIES; AND PROPOSED AMENDED RULE 219 – EQUIPMENT NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (SCAQMD) is the Lead Agency and has prepared a Notice of Exemption for the project identified above.

SCAQMD staff has reviewed the proposed project to amend Rule 1178 - Further Reduction of VOC Emissions from Storage Tanks at Petroleum Facilities, and Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II in accordance with: 1) CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA.

The proposed project is comprised of amendments to Rules 1178 and 219 which would provide storage tank operators with an additional option for controlling volatile organic compound (VOC) emissions from aboveground floating roof tanks. The proposed amendments are consistent with the 2000 United States Environmental Protection Agency (U.S. EPA) Storage Tank Emission Reduction Partnership Program (STERPP) Agreement. Specifically, the proposed amendments to Rule 1178 would: 1) allow the installation of a Flexible Enclosure System on a slotted guidepole of any internal, external, or domed floating roof tank provided that the applicable combination of components is used to replace a pole float and float wiper/seal; 2) clarify that repairs or replacements shall occur within 72 hours after an inspection determines equipment is not operating in compliance; 3) clarify that inspection reports and related documents are due on January 31 and July 31, respectively, after completion of two consecutive quarterly inspections; and 4) update inspection procedures and compliance report forms to incorporate data observed from visual inspections of slotted guidepoles equipped with a Flexible Enclosure System. Note that for an external floating roof tank, the proposed amendments to Rule 1178 also require installation of a pole sleeve in conjunction with a Flexible Enclosure System. The purpose of the proposed amendments to Rule 219 are to exempt certain installations of a Flexible Enclosure System that occur in accordance with the proposed amendments to Rule 1178 from the requirement to obtain a written permit. Specifically, the proposed amendments to Rule 219 would add new paragraph (m)(25) to exempt storage and transfer equipment from the requirement to obtain a written permit when a pole float used to control emissions from slotted guidepoles in floating roof storage tanks is replaced with a pole sleeve or a pole sleeve in combination with a Flexible Enclosure System. If these optional replacements occur for external floating roof tanks, VOC emissions associated with a pole sleeve will be comparable to those of a pole float with float wiper/seal; thus, it can be

seen with reasonable certainty that a pole sleeve with a Flexible Enclosure System will provide equivalent or better VOC emissions control as that of a pole float with float wiper/seal for external floating roof tanks. Similarly, if these optional replacements occur for internal or domed external floating roof tanks, even though a pole sleeve will not be required with a Flexible Enclosure System, the use of a Flexible Enclosure System in these circumstances is also expected to yield comparable VOC emissions control.

SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed amendments to Rules 1178 and 219 may have a significant adverse effect on the environment. Therefore, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Any questions regarding this Notice of Exemption should be sent to Ryan Bañuelos (c/o Planning, Rule Development and Area Sources) at the above address. Mr. Bañuelos can also be reached at (909) 396-3479. Mr. Kennard Ellis is also available at (909) 396-2457 to answer any questions regarding the proposed amended rules.

Date: March 22, 2018

Signature: 

Barbara Radlein
Program Supervisor, CEQA Section
Planning, Rules, and Area Sources

Reference: California Code of Regulations, Title 14

NOTICE OF EXEMPTION

To: County Clerks Counties of Los Angeles, Orange, Riverside, and San Bernardino	From: South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765
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Project Title: Proposed Amended Rule 1178 – Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities; and Proposed Amended Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II

Project Location: The SCAQMD has jurisdiction over the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB). The SCAQMD’s jurisdiction includes the federal nonattainment area known as the Coachella Valley Planning Area, which is a sub-region of Riverside County and the SSAB.

Description of Nature, Purpose, and Beneficiaries of Project: The proposed project is comprised of amendments to Rules 1178 and 219 which would provide storage tank operators with an additional option for controlling volatile organic compound (VOC) emissions from aboveground floating roof tanks. The proposed amendments are consistent with the 2000 United States Environmental Protection Agency (U.S. EPA) Storage Tank Emission Reduction Partnership Program (STERPP) Agreement. Specifically, the proposed amendments to Rule 1178 would: 1) allow the installation of a Flexible Enclosure System on a slotted guidepole of any internal, external, or domed floating roof tank provided that the applicable combination of components is used to replace a pole float and float wiper/seal; 2) clarify that repairs or replacements shall occur within 72 hours after an inspection determines equipment is not operating in compliance; 3) clarify that inspection reports and related documents are due on January 31 and July 31, respectively, after completion of two consecutive quarterly inspections; and 4) update inspection procedures and compliance report forms to incorporate data observed from visual inspections of slotted guidepoles equipped with a Flexible Enclosure System. Note that for an external floating roof tank, the proposed amendments to Rule 1178 also require installation of a pole sleeve in conjunction with a Flexible Enclosure System. The purpose of the proposed amendments to Rule 219 are to exempt certain installations of a Flexible Enclosure System that occur in accordance with the proposed amendments to Rule 1178 from the requirement to obtain a written permit. Specifically, the proposed amendments to Rule 219 would add new paragraph (m)(25) to exempt storage and transfer equipment from the requirement to obtain a written permit when a pole float used to control emissions from slotted guidepoles in floating roof storage tanks is replaced with a pole sleeve or a pole sleeve in combination with a Flexible Enclosure System. If these optional replacements occur for external floating roof tanks, VOC emissions associated with a pole sleeve will be comparable to those of a pole float with float wiper/seal; thus, it can be seen with reasonable certainty that a pole sleeve with a Flexible Enclosure System will provide equivalent or better VOC emissions control as that of a pole float with float wiper/seal for external floating roof tanks. Similarly, if these optional replacements occur for internal or domed external floating roof tanks, even though a pole sleeve will not be required with a Flexible Enclosure System, the use of a Flexible Enclosure System in these circumstances is also expected to yield comparable VOC emissions control.

Public Agency Approving Project:
South Coast Air Quality Management District

Agency Carrying Out Project:
South Coast Air Quality Management District

Exempt Status: CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule

Reasons why project is exempt: SCAQMD staff has reviewed the proposed amendments to Rules 1178 and 219 pursuant to: 1) CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA. To comply with the proposed amendments to Rules 1178 and 219 storage tank operators would have the option of controlling VOC emissions from a slotted guidepole with a Flexible Enclosure System. The construction activities associated with the optional installation and operation of a Flexible Enclosure System due to implementation of the proposed amendments to Rules 1178 and 219 requirements are minimal. Further, if these optional replacements occur for external floating roof tanks, VOC emissions associated with a pole sleeve will be comparable to those of a pole float with float wiper/seal; thus, it can be seen with reasonable certainty that a pole sleeve with a Flexible Enclosure System will provide equivalent or better VOC emissions control as that of a pole float with float

wiper/seal for external floating roof tanks. Similarly, if these optional replacements occur for internal or domed external floating roof tanks, even though a pole sleeve will not be required with a Flexible Enclosure System, the use of a Flexible Enclosure System in these circumstances is also expected to yield comparable VOC emissions control. Therefore, SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the amendments to Rules 1178 and 219 may have a significant adverse effect on the environment. Therefore, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule.

Date When Project Will Be Considered for Approval (subject to change):

SCAQMD Governing Board Hearing: April 6, 2018; SCAQMD Headquarters

CEQA Contact Person: Mr. Ryan Bañuelos	Phone Number: (909) 396-3479	Email: rbañuelos@aqmd.gov	Fax: (909) 396-3982
Rule Contact Person: Mr. Kennard Ellis	Phone Number: (909) 396-2457	Email: kellis@aqmd.gov	Fax: (909) 396- 3324

Date Received for Filing: _____ **Signature:** _____ *(Signed Upon Board Approval)*
Barbara Radlein
Program Supervisor, CEQA Section
Planning, Rule Development & Area
Sources