SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA

ENVIRONMENTAL QUALITY ACT

PROJECT TITLE: PROPOSED AMENDED RULE 1325 – FEDERAL PM2.5 NEW

SOURCE REVIEW PROGRAM

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 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. SCAQMD staff is proposing to amend Rule 1325 to correct a deficiency identified by the United States Environmental Protection Agency (U.S. EPA). Rule 1325 was amended in 2016 to expand the definition of "precursor" to add volatile organic compounds and ammonia to the existing list of PM2.5 precursors (oxides of nitrogen and sulfur dioxide). However, the definition of "regulated NSR pollutant" was not expanded to add reference to volatile organic compounds and ammonia. Proposed Amended Rule 1325 will amend the definition of a "regulated NSR pollutant" to reference PM2.5 and its precursors, as defined in the current rule. The proposed amendments to Rule 1325 will also clarify rule language, remove outdated language and enhance formatting.

Because the proposed changes are administrative and procedural in nature as required by the U.S. EPA, and would not cause any physical changes that would affect any environmental topic area, SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project 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. Additionally, because the SCAQMD is revising the aforementioned definition in Rule 1325 per U.S. EPA direction, the project is considered to be ministerially exempt from CEQA pursuant to CEQA Guidelines Section 15268 – Ministerial Projects. Furthermore, the proposed amendments to Rule 1325 are categorically exempt because they are considered actions to protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, SCAQMD staff has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemptions apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. Therefore, the proposed project is exempt from CEQA. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the proposed 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 Luke Eisenhardt (c/o Planning, Rule Development and Area Sources) at the above address. Mr. Eisenhardt can also be reached at (909) 396-2324. Ms. Nicole Silva is also available at (909) 396-3384 to answer any questions regarding the proposed amended rule.

Date: January 4, 2019 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 From: South Coast Air Quality Management District

Counties of Los Angeles, Orange, 21865 Copley Drive Riverside and San Bernardino Diamond Bar, CA 91765

Project Title: Proposed Amended Rule 1325 – Federal PM2.5 New Source Review Program.

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).

Description of Nature, Purpose, and Beneficiaries of Project: SCAQMD staff is proposing to amend Rule 1325 to correct a deficiency identified by the United States Environmental Protection Agency (U.S. EPA). Rule 1325 was amended in 2016 to expand the definition of "precursor" to add volatile organic compounds and ammonia to the existing list of PM2.5 precursors (oxides of nitrogen and sulfur dioxide). However, the definition of "regulated NSR pollutant" was not expanded to add reference to volatile organic compounds and ammonia. Proposed Amended Rule 1325 will amend the definition of a "regulated NSR pollutant" to reference PM2.5 and its precursors, as defined in the current rule. The proposed amendments to Rule 1325 will also clarify rule language, remove outdated language and enhance formatting.

Public Agency Approving Project: Agency Carrying Out Project:

South Coast Air Quality Management District South Coast Air Quality Management District

Exempt Status:

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

CEQA Guidelines Section 15268 – Ministerial Projects

CEQA Guidelines Section 15308 – Actions By Regulatory Agencies For Protection Of The Environment

Reasons why project is exempt: SCAQMD staff has reviewed the proposed amendments to Rule 1325 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. Because the proposed changes are administrative and procedural in nature as required by the U.S. EPA, and would not cause any physical changes that would affect any environmental topic area. SCAOMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project 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. Additionally, because the SCAQMD is revising the definition of "regulated NSR pollutant" per U.S. EPA direction, the project is considered to be ministerially exempt from CEOA pursuant to CEOA Guidelines Section 15268 – Ministerial Projects. Furthermore, the proposed amendments to Rule 1325 are categorically exempt because they are considered actions to protect or enhance the environment pursuant to CEQA Guidelines Section 15308 - Actions by Regulatory Agencies for Protection of the Environment. Further, SCAOMD staff has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemptions apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. Therefore, the proposed project is exempt from CEOA.

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

SCAQMD Governing Board Hearing: January 4, 2019; SCAQMD Headquarters

| CEQA Contact Person: Mr. Luke Eisenhardt | Phone Number: (909) 396-2324 | Email: leisenhardt@aqmd.gov | Fax: (909) 396-3982 |
|---|-------------------------------------|--------------------------------|---------------------|
| Rule Contact Person: Ms. Nicole Silva | Phone Number: (909) 396-3384 | Email: nsilva@aqmd.gov | Fax: (909) 396-3807 |

Date Received for Filing: Signature: (Signed Upon Board Approval)

Barbara Radlein

Program Supervisor, CEQA Section

Planning, Rule Development & Area Sources