

BOARD MEETING DATE: March 5, 2021

AGENDA NO. 2

PROPOSAL: Set Public Hearings April 2, 2021 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations:

- A. Determine That Proposed Amendments to Rule 1426 – Emissions from Metal Finishing Operations and Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations, Are Exempt from CEQA, and Amend Rule 1426 and Rule 1469

Proposed Amended Rule 1426 would reduce fugitive emissions of hexavalent chromium, nickel, cadmium, and lead from metal finishing facilities by establishing requirements for building enclosures, housekeeping, and best management practices.

Proposed Amended Rule 1469 will incorporate provisions under Proposed Amended Rule 1426 that affect Rule 1469 facilities to streamline implementation for these facilities. Additional amendments to Rule 1469 are proposed to remove reference to a chemical that is no longer used for testing HEPA filters and to update an incorrect table reference. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 1426 – Emissions from Metal Finishing Operations, and Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 1426 – Emissions from Metal Finishing Operations and Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations. (Reviewed: Stationary Source Committee, February 19, 2021)

- B. Certify Final Environmental Assessment and Adopt Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions Program, and Proposed Rule 316 – Fees for Rule 2305, Submit Rule 2305 for Inclusion Into the SIP, and Approve Supporting Budget Actions

Proposed Rule 2305 will require warehouses greater than 100,000 square feet to directly reduce NO<sub>x</sub> and diesel PM, or to facilitate emission and exposure reductions of these pollutants. The Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program is a menu-based points system that will require warehouse operators to annually earn a specified number of points by completing actions from a menu. Menu items include acquiring or using: Near Zero Emissions (NZE) and/or Zero Emissions (ZE) on-road trucks, ZE cargo handling equipment, ZE charging/fueling infrastructure, solar panels, or particulate filters for nearby sensitive land uses. Alternatively, warehouse operators could prepare and implement a custom plan specific to their site, or they could pay a mitigation fee. Funds from the mitigation fee would be used through future solicitations and Board actions to incentivize the purchase of NZE or ZE trucks and ZE charging/fueling infrastructure in the communities near warehouses that paid the fee. Warehouse owners and operators would also have reporting and recordkeeping requirements. Proposed Rule 316 would establish fees for warehouse operators to fund South Coast AQMD compliance activities. This action is to: 1) Adopt the resolution: A) Certifying the Final Environmental Assessment for Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions Program and Proposed Rule 316 – Fees for Rule 2305; B) Adopting Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions Program and Proposed Rule 316 – Fees for Rule 2305; C) Submitting Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions Program for inclusion into the SIP; 2) Establish the Rule 2305 Mitigation Fee Alternate Compliance Fund; and 3) Authorize the Executive Officer to recognize upon receipt mitigation fees paid by warehouse operators into the Rule 2305 Mitigation Fee Alternate Compliance Fund. (Reviewed: Mobile Source Committee, February 19, 2021)

The complete text of the proposed rules/amendments, staff report and other supporting documents will be available from the South Coast AQMD's publication request line at (909) 396-2001, or from: Mr. Derrick Alatorre – Deputy Executive Officer/Public Advisor, South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765, (909) 396-2432, [dalatorre@aqmd.gov](mailto:dalatorre@aqmd.gov) and on the Internet ([www.aqmd.gov](http://www.aqmd.gov)) as of March 3, 2021.

**RECOMMENDED ACTIONS:**

Set Public Hearings April 2, 2021 to Amend Rules 1426 and 1469; and Adopt Proposed Rules 2305 and 316.

Wayne Natri  
Executive Officer

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