August 6, 2009

Mr. Jeff Horn Urban and Regional Planner III Riverside County Planning Department P.O. Box 1409 Riverside, CA 92502-1409

Dear Mr. Horn:

Notice of Preparation of a Draft Environmental Impact Report (Draft EIR) for the French Valley Energy Center

South Coast Air Quality Management District (SCAQMD) staff appreciates the opportunity to comment on the CEQA document for the French Valley Energy Center (FVEC) project. SCAQMD staff's comments are recommendations regarding the analysis of potential air quality impacts from the proposed project that should be included in the draft environmental impact report (EIR). Since the proposed project consists of stationary source equipment subject to SCAQMD rules, regulations, and permitting requirements, the SCAQMD is considered a responsible agency pursuant to CEQA Guidelines §15381. Therefore, please send the SCAQMD a copy of the Draft EIR upon its completion. In addition, please send with the draft EIR all appendices or technical documents related to the air quality analysis and electronic versions of all air quality modeling and health risk assessment files. Electronic files include spreadsheets, database files, input files, output files, etc., and does <u>not</u> mean Adobe PDF files. Without all files and supporting air quality documentation, SCAQMD staff will be unable to complete its review of the air quality analysis in a timely manner. Any delays in providing all supporting air quality documentation <u>will</u> require additional time for review beyond the end of the comment period.

The Initial Study prepared for the proposed project concludes that air quality impacts will be less than significant with mitigation. The lead agency, Riverside County, states that constructing of the FVEC would be temporary and localized and, therefore, "well below the significance threshold adopted by the SCAQMD..." No quantitative analysis is provided to support this conclusion. Further, with regard to operational emissions the lead agency states that emissions from the project "contribute to an existing air qualities violation for a criteria pollutant for which its level is nonattainment. Since the lead agency has not quantitatively demonstrated that construction air quality impacts are not significant and has concluded that operational air quality impacts are significant, SCAQMD staff request that air quality impacts be further analyzed in the draft EIR. The following comments should assist the lead agency with preparing an appropriate air quality analysis for the proposed project.

Air Quality Analysis

The SCAQMD adopted its California Environmental Quality Act (CEQA) Air Quality Handbook in 1993 to assist other public agencies with the preparation of air quality analyses. SCAQMD staff recommends that the Lead Agency use this Handbook as guidance when preparing its air quality analysis. Copies of the Handbook are available from the SCAQMD's Subscription Services Department by calling (909) 396-3720. Alternatively, the lead agency may wish to consider using the California Air Resources Board (CARB) approved URBEMIS 2007 Model. This model is available on the SCAQMD Website at: www.urbemis.com. Additional Guidance for preparing the air quality analysis can be found on the SCAQMD's CEQA webpages at: www.aqmd.gov/ceqa, as explained in the following paragraphs.

SCAQMD staff recommends that the Lead Agency identify any potential adverse air quality impacts that could occur from all phases of the project and all air pollutant sources related to the project. Air quality impacts from all phases of construction (including demolition, if any) and operations should be calculated. Construction-related air quality impacts typically include, but are not limited to, emissions from the use of heavy-duty equipment from grading, earth-

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loading/unloading, paving, architectural coatings, off-road mobile sources (e.g., heavy-duty construction equipment) and on-road mobile sources (e.g., construction worker vehicle trips, material transport trips). Operation-related air quality impacts may include, but are not limited to, emissions from stationary sources (e.g., boilers), area sources (e.g., solvents and coatings), and vehicular trips (e.g., on- and off-road tailpipe emissions and entrained dust). Air quality impacts from indirect sources, that is, sources that generate or attract vehicular trips should also be included in the analysis.

SCAQMD staff has developed a methodology for calculating particulate matter (PM) 2.5 emissions from construction and operational activities and processes. In connection with developing PM2.5 calculation methodologies, SCAQMD staff has also developed both regional and localized significance thresholds. SCAQMD staff requests that the lead agency quantify PM2.5 emissions and compare the results to the recommended PM2.5 significance thresholds. Guidance for calculating PM2.5 emissions and PM2.5 significance thresholds can be found at the following internet address: http://www.aqmd.gov/ceqa/handbook/PM2_5/PM2_5.html.

In addition to analyzing regional air quality impacts SCAQMD staff recommends calculating localized air quality impacts and comparing the results to localized significance thresholds (LSTs). LST's can be used in addition to the recommended regional significance thresholds as a second indication of air quality impacts when preparing a CEQA document. Therefore, when preparing the air quality analysis for the proposed project, it is recommended that the Lead Agency perform a localized significance analysis by either using the LSTs developed by SCAQMD staff or performing dispersion modeling as necessary. Guidance for performing a localized air quality analysis can be found at http://www.aqmd.gov/ceqa/handbook/LST/LST.html.

If circumstances arise where the proposed project may attract or generate a substantial number of vehicular trips, especially heavy-duty diesel-fueled vehicles, SCAQMD staff requests that the lead agency perform a mobile source health risk assessment. Guidance for performing a mobile source health risk assessment ("Health Risk Assessment Guidance for Analyzing Cancer Risk from Mobile Source Diesel Idling Emissions for CEQA Air Quality Analysis") can be found on the SCAQMD's CEQA web pages at the following internet address: http://www.aqmd.gov/ceqa/handbook/mobile_toxic/mobile_toxic.html. An analysis of all toxic air contaminant impacts due to the decommissioning or use of equipment potentially generating such air pollutants should also be included.

Mitigation Measures

In the event that the proposed FVEC project generates significant adverse air quality impacts, CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized during project construction and operation to minimize or eliminate significant adverse air quality impacts. To assist the Lead Agency with identifying possible mitigation measures for the project, please refer to Chapter 11 of the SCAQMD CEQA Air Quality Handbook for sample air quality mitigation measures. Additional mitigation measures can be found on the SCAQMD's CEQA web pages at the following internet address: www.aqmd.gov/ceqa/handbook/mitigation/MM_intro.html Additionally, SCAQMD's Rule 403 – Fugitive Dust, and the associated Rule 403 Implementation Handbook contain numerous measures for controlling construction-related emissions that should be considered for use as CEQA mitigation measures if not otherwise required. Other measures to reduce air quality impacts from land use projects can be found in the SCAQMD's Guidance Document for Addressing Air Quality Issues in General Plans and Local Planning. This document is electronically available at the following internet address:

http://www.aqmd.gov/prdas/aqguide/aqguide.html. In addition, guidance on sitting incompatible land uses in close proximity with each other can be found in the California Air Resources Board's Air Quality and Land Use Handbook: A Community Perspective, which can be found at the following internet address:

http://www.arb.ca.gov/ch/handbook.pdf. Pursuant to state CEQA Guidelines §15126.4 (a)(1)(D), any impacts resulting from mitigation measures must also be discussed.

Data Sources

SCAQMD rules and relevant air quality reports and data are available by calling the SCAQMD's Public Information Center at (909) 396-2039. Most of the information available through the Public Information Center is also available on the SCAQMD's Homepage (http://www.aqmd.gov).

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SCAQMD Rules and Regulations

The proposed project includes new stationary equipment sources that have the potential to emit criteria pollutants and volatile organic compounds (an ozone and PM precursor pollutant), so it is subject to the following SCAQMD rules and regulations. In particular the proposed project is subject Regulation II – Permits. At a minimum, the proposed project is subject to Rule 201 – Permit to Construct, and Rule 203 – Permit to Operate. Since the propose project includes new stationary source equipment, depending on the annual emissions it will be subject to either Regulation XIII – New Source Review, or Rule 2005 – New Source Review for RECLAIM, requirements. In either case, the applicable stationary source equipment would be subject to best available control technology (BACT) requirements, modeling requirements, and, if subject to Regulation XIII and emissions are greater than four tons per year for applicable nonattainment or precursor pollutants, emission offsets will also be required. If the project has the potential to emit air toxics, it may also be subject to Rule 1401 – New Source Review of Toxic Air Contaminants. For assistance with SCAQMD permit requirements the lead agency and project proponent can contact SCAQMD's Permit Services by calling 909.396.3385 or 909.396.2668.

SCAQMD staff is willing to work with the Lead Agency to ensure that project-related emissions are fully and accurately quantified and, as necessary, mitigated to the maximum extent feasible. Please contact Daniel Garcia, Air Quality Specialist, CEQA Section, at (909) 396-3304 if you have any questions regarding this letter.

Sincerely,

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

SS:DG:AK RVC090721-08AK Control Number

cc: Mike Mills Edwin Pupka