SENT VIA E-MAIL:

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<u>Draft Environmental Impact Report (EIR) for the</u> <u>El Camino Project (Proposed Project)</u> (SCH No: 2023080369)

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to review the above-mentioned document. The City of Rancho Cucamonga is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. To provide context, South Coast AQMD staff has provided a brief summary of the project information and prepared the following comments which are organized by topic of concern.

Summary of Proposed Project Information in the Draft EIR

Based on the Draft EIR, the El Camino Project is a proposed development in the City of Rancho Cucamonga initiated by a private company, Lone Oak – Rancho LLC. It involves the expansion of an existing beverage distribution facility into a site that will also include production and bottling capabilities, along with expanded warehousing and distribution.

The project site, a 30.1-acre property located in the southern area of the City of Rancho Cucamonga in southwestern San Bernardino County, is bounded by 7th Street to the north, Utica Avenue to the east, 6th Street to the south, and Haven Avenue to the west. The site is near major transportation routes, approximately 1.8 miles west of the I-15 Freeway and 1.2 miles north of the I-10 Freeway. The site consists of eight contiguous Assessor Parcels.

Under existing conditions, the southern and northern portions of the site (approximately 17.9 acres) are developed, while the central portion (12.2 acres) is vacant and was formerly a vineyard. Specifically, the southern parcels contain an operating beverage distribution facility, two office buildings, and support infrastructure totaling 208,590 square feet. The northern parcels contain an existing 62,210 square foot warehouse. The total existing building area is 270,800 square feet. The site is in an urbanized area surrounded by land uses typical of urban and suburban areas, including warehousing, commercial, medical offices, hospitality, and professional offices.

The Proposed Project would demolish up to 237,895 square feet of existing buildings and construct approximately 1,054,541 square feet of new manufacturing, light industrial, and office space. Major new facilities include a Production Center (PC), a Distribution Center (DC), and an Automated Storage and Retrieval System (ASRS). A new four-story, 335,475-square-foot parking structure and truck deck would be located southwest of the PC building. Building heights would

range from 34 to 131 feet, with the tallest (the ASRS) requiring a Master Plan due to exceeding current zoning height limits. Additional infrastructure improvements and new features include:

- Construction of a new groundwater supply well at the southeastern corner of the site with a 2,700-foot new water transission line to the site's existing reservoir. Raw groundwater would be chlorinated and stored onsite in the existing reservoir until it is transferred to offsite to the Coachella Valley Water District (CVWD).
- Installation of a new cogeneration (Cogen) microgrid facility comprised of two natural gas engines, each rated at 2,146 brake horsepower. The Cogen facility is designed to produce 24,656 megawatt-hours of electricity annually while recovering the waste heat from electricity production, capturing the carbon dioxide (CO2) from the engine exhaust, and purifying it for beverage-grade use. The Cogen facility would reduce the need for trucked-in supplies of CO2 needed to produce carbonated beverages.
- Installation of two new diesel-fueled emergency standby engines, each with a rating of 2,011 brake horsepower. Their primary function would be for monthly testing and operation during emergencies or sustained power outages when the cogeneration system is not in use or operating at reduced loads.
- Installation of up to three new vertical exhaust towers for the Cogen facility to be integrated
 into the parking deck design, and would not extend above the maximum building heights
 of the overall project
- Installation of new a rooftop solar (approximately 2.8 MWh/year) grid with a 2,000-kW battery energy storage system to provide electricity to support the Proposed Project.
- Installation of new electric vehicle (EV) charging infrastructure that will be accessible by passenger and freight vehicles.

Project development is planned in two phases:

- Phase 1 includes construction of the core facilities (PC, DC, ASRS, parking structure), the groundwater well and water transmission line, and other site-wide infrastructure.
- Phase 2 focuses on the northern 3.89 acres and poses two potential scenarios: reuse the existing warehouse building (Phase 2A) or demolish it and construct a new one (Phase 2B). The Cogen facility would also constructed and become operational during Phase 2.

South Coast AQMD Comments

Import and/or Export Information During Construction

The construction activities include demolition, site preparation, grading, building construction, paving, and the application of architectural coatings. According to the Draft EIR, grading for Phase 1 would require the import of approximately 122,000 cubic yards of soil to establish the necessary pads and elevations. Additionally, Phase 2B would involve the export of approximately 16,200 cubic yards of material for construction of a new building. In addition, the Draft EIR indicates that construction of a new groundwater well to support Phase 1 would generate

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¹ Draft EIR. Table 3-3. P. 3-45.

approximately 3,965 cubic yards of debris and soil to be hauled away for off-site disposal.² However, the CalEEMod modeling reflects a slightly lower quantity of soil and debris (e.g., 3,770 cubic yards) that would be generated by the construction of the groundwater well.³

Furthermore, the Draft EIR states that the Mid-Valley Landfill in Rialto will be the primary disposal site for construction waste, with San Timoteo Landfill in Redlands and El Sobrante Landfill in Corona serving as secondary and backup facilities in the event of closures due to high wind conditions.⁴ Despite this, the CalEEMod analysis relies on a default haul distance of 20 miles for waste disposal. Given that both San Timoteo and El Sobrante landfills are located approximately 30 miles from the project site, the use of the default 20-mile distance underestimates potential emissions associated with hauling construction waste.

The Lead Agency is recommended to revise the calculations and revise the Draft EIR to:

- 1. Reflect the maximum total volume of material anticipated to be removed as part of constructing the new groundwater well; and
- 2. Update the haul truck distances to reflect the maximum potential haul trip distances to the to the San Timoteo or El Sobrante landfill, whichever is greater.

Localized Significance Thresholds Analysis

The localized significance threshold (LST) analysis in the Draft EIR appears to incorrectly rely on the LST screening tables to determine the significance of localized air quality impacts. As indicated in Table 3-2 of the LST methodology, 5 these screening tables are not applicable for projects larger than five acres. Since the Proposed Project site size is 30.1 acres, involves the use of large combustion sources and is located in close proximity to sensitive receptors, reliance on the LST screening tables may underestimate localized air quality impacts. Therefore, it is recommended that the Lead Agency conduct project-specific dispersion modeling to assess the localized air quality impacts from both the construction and operational phases of the Proposed Project accurately and include the results in the Final EIR.

Warehouse Cold Storage Land Use and the Associated Emissions from Transport Refrigeration Units (TRUs)

The project description in the Draft EIR indicates that 1,000 square feet of warehouse space will be designated for cold storage and the use of diesel-fueled Transport Refrigeration Units (TRUs) on-site will be prohibited. Instead, all TRUs operated at the facility will be required to be electrically powered. However, the Draft EIR does not quantify the number of TRUs anticipated to be used. Cold storage facilities typically attract a higher volume of trucks and trailers equipped with TRUs compared to standard warehouse operations. As such, the Final EIR should: 1) include an estimate of the number of TRU-equipped vehicles expected during project operations; 2) clarify how the all-electric TRU requirement will be implemented, monitored, and enforced; 3) disclose whether any flexibility or exceptions are allowed (e.g., for power outages, equipment failure, or tenant operations); 4) evaluate potential TRU emissions if enforcement is not feasible or electriconly operations are not feasible in all scenarios; and 5) calculate the cancer risk or health impacts associated with these TRUs.

² Ibid. p. 4.3-33.

³ Appendix C1.2. p. 166

⁴ Draft EIR. p. 4.19-2

⁵ Draft EIR. p. 4.3-36.

⁶ Draft EIR, p.2-25.

Truck Idling Mitigation and Emissions Modeling

The mitigation measures and modeling assumptions related to truck idling appear to be inconsistent in the Draft EIR. Specifically, Mitigation Measure AIR-2B states that idling of diesel-powered construction equipment, vendor delivery trucks, and hauling trucks will be limited to two minutes. However, the operational emissions modeling assumes 15 minutes of idling per truck per day. In any case, the two-minute idling limit may not be operationally feasible given the size and configuration of the facility, which includes multilevel loading docks and high truck volumes. The Final EIR should clarify how this measure will be enforced and whether it reflects realistic operational conditions.

In addition, the 15-minute truck idling assumption may underestimate actual idling activity for a facility of this scale. The Lead Agency is recommended to revise the modeling analysis to reflect at least 30 minutes of idling per truck per day to provide a more realistic estimate of the potential diesel particulate matter (DPM) emissions. To ensure consistency and accuracy, the Final EIR should reconcile the mitigation measures with the assumptions relied upon in the emissions modeling and provide justification for the assumptions used.

Verification of Truck Trip Distance Assumption Used in Emissions Modeling

The analysis of truck trips in the Draft EIR assumes a 37.8-mile one-way trip distance without providing supporting evidence for the basis for the selected trip origins and destinations, the proportion of trips by truck type, or whether these trips reflect actual routes commonly used by the facility's current or future fleet. Given the importance of applying an accurate trip distance which is necessary when estimating mobile source emissions, particularly DPM and greenhouse gases (GHGs), the Final EIR should include documentation which explains why the 37.8-mile average trip distance was applied. The documentation may include empirical data, fleet-specific routing patterns, or information on major origin-destination points (e.g., ports, regional warehouses, distribution centers), for example. Also, if the trip distances include port-related activity, that information should be explicitly stated, and the trip distance should reflect the actual mileage between the facility and the port(s). Absent such documentation, the Lead Agency is recommended to either revise the trip distance assumption and recalculate the associated emissions or provide additional evidence demonstrating that the modeled distance is representative of actual or reasonably foreseeable operations.

Potential Underestimation of Cancer Risk Calculations and the Ground-Level Pollutant Concentrations Near Buildings in Health Risk Assessment

For the health risk assessment (HRA) during operation, the AERMOD air dispersion modeling files did not appear to include the industrial buildings in the building downwash option, which resulted in an underestimation of the ground-level pollutant concentrations near the buildings. According to the Draft EIR, the maximum height of the tallest building (the ASRS building) would be approximately 131 feet (40 meters). Therefore, the Lead Agency is recommended to revise the AERMOD dispersion model input files to include the industrial buildings in the building downwash to analyze more accurate ground-level concentrations and include the revised HRA results in the Final EIR.

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⁷ Draft EIR. p.3-20.

In addition, Appendix C3.3: Health Risks, 8 the cancer risk associated with construction and operational activities of the Proposed Project was evaluated and presented by scenario, as shown in following summary and excerpt from Appendix C3.3:

- Year 1 reflects construction activities for Phase 1 during the first year;
- Year 2 corresponds to continued construction of Phase 1 in the second year;
- Year 3 includes simultaneous operation of Phase 1 and construction of Phase 2 in the first year;
- Year 4 represents continued Phase 1 operation and Phase 2 construction in the second year; and
- Years 5 through 30 represent the full operational buildout of the Proposed Project.

Figure 1: Staff's Screenshot from Appendix C3.3

Risk Assessment at MEIR		
Scenario	AERMOD DPM Conc.	Chronic Hazard Quotient
Year 1 (P1Y1)	0.01954	0.00391
Year 2 (P1Y2)	0.01727	0.00345
Year 3 (P2Y1+Ops)	0.00503	0.00101
Year 4 (P2Y2+Ops)	0.00226	0.00045
Year 5-30 (Ops)	0.00140	0.00028

The cancer risks were estimated by following the Office of Environmental Health Hazard Assessment (OEHHA) methodology, with results disaggregated by age group and exposure scenario. However, the third-trimester exposure group was only considered in the Year 1 construction scenario, and the 0–2-year age group was only included in Years 1 and 2. Notably, both sensitive receptor age groups were excluded from the operational phase (Years 3–30), during which DPM emissions continue to pose potential health risks. This limited inclusion of sensitive age groups may have resulted in an underestimation of the lifetime cancer risk associated with the Proposed Project. Given that the total excess cancer risk was reported as 8.1 in one million, the exclusion of early-life exposures during the operational phase is a substantial omission. Therefore, the Lead Agency is recommended to revise the cancer risk calculation to incorporate DPM-related impacts from the third trimester through 30 years of age for residential exposures during the operational period and include the updated analysis in the Final EIR.

Additional Explanation of the Cooling Towers as part of the Cogen Facility

As noted in the Draft EIR, the Proposed Project includes the development of a Cogen facility designed to capture CO2 from the industrial exhaust streams for purification and reuse as beverage-grade CO2 in carbonation processes. Although the detailed design of the Cogen facility has not been finalized, it appears that cooling towers will be needed. However, the Draft EIR does not contain specific information regarding the installation and operation of cooling towers, including the number of units, design specifications, or operational parameters. While the exhaust from cooling towers primarily consists of water vapor, also it may also include criteria pollutants such as particulate matter (PM10 and PM2.5), as well as air toxics and volatile or semi-volatile

⁸ Appendix C3.3: Health Risk. p. 2.

⁹ Ibid. p.4.3-70.

¹⁰ Ibid. p. 3-39.

compounds related to water treatment chemicals. Given the potential for low-level emissions of air pollutants from cooling towers, the Lead Agency is recommended to provide detailed information in the Final EIR about the cooling tower systems including the number, type, and capacity of the cooling towers, the use of any water treatment additives, and associated emissions. Furthermore, in accordance with South Coast AQMD Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II, ¹¹ the cooling towers may be subject to registration and compliance requirements. The Lead Agency should verify whether the cooling towers qualify for exemption under Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II, ¹² or require registration under Rule 222 and ensure that any emissions from these sources are quantified and incorporated into the Proposed Project's total operational emissions inventory in the Final EIR.

Clarification on Meteorological Data Used in AERMOD Modeling

The Draft EIR states that AERMOD-ready meteorological data for the Ontario International Airport station was obtained from the South Coast AQMD for the five-year period spanning January 1, 2012, to December 31, 2016. However, Appendix C3.2 – AERMOD indicates that the modeling relied on the most current meteorological dataset, specifically MET dataset Version 11. To ensure consistency and transparency in the environmental analysis, the Lead Agency is recommended to revise the Final EIR to clearly state that MET dataset Version 11 was used in the AERMOD modeling.

Cumulative Impacts during Operation

As set forth in CEQA Guidelines Section 15130, an EIR is required to analyze the cumulative impacts of a proposed project. According to the air quality analysis in Section 4.3 of the Draft EIR, the Proposed Project's regional operational emissions of nitrogen oxides (NOx), along with combined operational and construction-phase emissions, would exceed South Coast AQMD's regional air quality significance thresholds, even after feasible mitigation measures (MM-AIR-2C through MM-AIR-2E) are applied. The Draft EIR identifies a large volume of planned development in the surrounding region, approximately 174 projects within a five-mile radius, including over 15 million square feet of non-residential use and as such, the analysis concludes that cumulative operational air quality impacts would remain significant and unavoidable. However, the Draft EIR does not include a detailed or project-specific analysis of how the cumulative emissions from these developments may collectively affect regional air quality or localized toxic air contaminant (TAC) exposures, particularly in communities already overburdened by environmental pollution.

Therefore, the Lead Agency is recommended to include in the Final EIR: 1) a qualitative analysis of the potential cumulative air quality impacts in consideration by listing all surrounding past, present, and probable future projects; or 2) a more detailed and robust quantitative analysis of cumulative air quality impacts and potential health risk implications.

¹¹ South Coast AQMD, Rule 222 is available at https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/Rule-222.pdf.

¹² South Coast AQMD, Rule 219 is available at https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-219.pdf.

¹³ Draft EIR. p. 4.3-41

Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program

Since the Proposed Project consist of the development of 1,054,541 square feet of warehouse, once the warehouse is occupied, the Proposed Project's warehouse owners and operators will be required to comply with South Coast AQMD Rule 2305 – Warehouse Indirect Source Rule – WAIRE Program and Rule 316 – Fees for Rule 2305. Rule 2305 and Rule 316 aim to reduce regional and local emissions of NOx and PM, including diesel PM so as to reduce adverse public health impacts on communities located near warehouses. Rule 2305 applies to owners and operators of warehouses greater than or equal to 100,000 square feet. Under Rule 2305, operators are subject to an annual WAIRE Points Compliance Obligation that is calculated based on the annual number of truck trips to the warehouse. WAIRE Points can be earned by implementing actions in a prescribed menu in Rule 2305, implementing a site-specific custom plan, or paying a mitigation fee. Warehouse owners are only required to submit limited information reports, but they can opt to earn WAIRE Points on behalf of their tenants if they so choose because certain actions to reduce emissions may be better achieved at the warehouse development phase, for instance the installation of solar and charging infrastructure. Rule 316 is a companion fee rule for Rule 2305 to allow South Coast AOMD to recover costs associated with Rule 2305 compliance activities.

Therefore, the Lead Agency is recommended to review Rule 2305 to determine the potential WAIRE Points Compliance Obligation for future operators and explore whether additional project requirements, design features/enhancements, and CEQA mitigation measures can be identified and implemented at the Proposed Project that may help future warehouse operators meet their compliance obligation¹⁴. For questions concerning Rule 2305 implementation and compliance by phone or email at (909) 396-3140 or waire-program@aqmd.gov. For implementation guidance documents and compliance and reporting tools, please visit South Coast AQMD's WAIRE Program webpage.¹⁵

Additional Recommended Air Quality and Greenhouse Gas Mitigation Measures and Project Design Features for Consideration

CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize or eliminate any significant adverse air quality impacts. To further reduce the Proposed Project's air quality impacts, South Coast AQMD recommends incorporating the following mitigation measures and project design considerations into the Final EIR.

Mitigation Measures to Reduce Operational Air Quality Impacts from Mobile Sources

1. Require zero-emission (ZE) or near-zero emission (NZE) on-road haul trucks, such as heavy-duty trucks with natural gas engines that meet the CARB's adopted optional NOx emissions standard at 0.02 grams per brake horsepower-hour (g/bhp-hr), if and when feasible.

Note: Given CARB's clean truck rules and regulations aiming to accelerate the utilization and market penetration of ZE and NZE trucks, such as the Advanced Clean

South Coast AQMD, Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce
 Emissions (WAIRE) Program is available. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xxiii/r2305.pdf.
 South Coast AQMD, WAIRE Program, is available at: http://www.aqmd.gov/waire.

Trucks Rule and the Heavy-duty Low NOx Omnibus Regulation, ZE and NZE trucks will become increasingly more available to use.

- 2. Require a phase-in schedule to incentivize the use of cleaner operating trucks to reduce any significant adverse air quality impacts.
 - Note: South Coast AQMD staff is available to discuss the availability of current and upcoming truck technologies and incentive programs with the Lead Agency.
- 3. Limit the daily number of trucks allowed at the Proposed Project to levels analyzed in the Final EIR. If higher daily truck volumes are anticipated to visit the site, the Lead Agency should commit to re-evaluating the Proposed Project through CEQA prior to allowing this higher activity level.
- 4. Provide electric vehicle (EV) charging stations or, at a minimum, provide electrical infrastructure, and electrical panels should be appropriately sized. Electrical hookups should be provided for truckers to plug in any onboard auxiliary equipment.

Mitigation Measures to Reduce Operational Air Quality Impacts from Other Area Sources

- 1. Maximize the use of solar energy by installing solar energy arrays.
- 2. Use light-colored paving and roofing materials.
- 3. Utilize only Energy Star heating, cooling, and lighting devices and appliances.

Design Considerations for Reducing Air Quality and Health Risk Impacts

- 1. Clearly mark truck routes with trailblazer signs so that trucks will not travel next to or near sensitive land uses (e.g., residences, schools, daycare centers, etc.).
- 2. Design the Proposed Project such that truck entrances and exits are not facing sensitive receptors and trucks will not travel past sensitive land uses to enter or leave the Proposed Project site.
- 3. Design the Proposed Project such that any truck check-in point is inside the Proposed Project site to ensure no trucks are queuing outside.
- 4. Design the Proposed Project to ensure that truck traffic inside the Proposed Project site is as far away as feasible from sensitive receptors.
- 5. Restrict overnight truck parking in sensitive land uses by providing overnight truck parking inside the Proposed Project site.

Lastly, the South Coast AQMD also suggests that the Lead Agency conduct a review of the following references and incorporating additional mitigation measures as applicable to the Proposed Project in the Final EIR:

- 1. State of California Department of Justice: Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act¹⁶
- 2. South Coast AQMD 2022 Air Quality Management Plan, ¹⁷ specifically:
 - a) Appendix IV-A South Coast AQMD's Stationary and Mobile Source Control Measures
 - b) Appendix IV-B CARB's Strategy for South Coast
 - c) Appendix IV-C SCAG's Regional Transportation Strategy and Control Measure
- 3. United States Environmental Protection Agency (U.S. EPA): Mobile Source Pollution - Environmental Justice and Transportation. 18

Air Quality Mitigation Measures for NOx Emissions from Construction

Given the long-range plan of the Proposed Project from 2024 to 2028, Tier 4 technology may not be the cleanest technology when construction occurs later for individual projects. According to the CARB Strategies for Reducing Emissions from Off-Road Construction Equipment, the implementation of off-road Tier 5 starting in 2027 or 2028 and the Governor's Executive Order in September 2020 requires CARB to develop and propose a full transition to Zero Emissions (ZE) by 2035. 14 Considering the scope of the Proposed Project, it is crucial to ensure that the levels of construction emissions, specifically NOx, remain less than the air quality significance thresholds during the construction period for phase. Moving towards achieving this goal, where feasible, involves opting for electric emission-free engines instead of diesel-fueled engines for the construction equipment. This proactive choice not only aligns with environmental concerns but also demonstrates a commitment to minimizing the project's environmental footprints. The abatement of NOx can also be pursued by enforcing greener constructions, such as, limiting the usage of older engines in favor of adopting the latest available technologies, or even incorporating exhaust retrofits such as cutting-edge exhaust aftertreatment techniques. In addition, while the Draft EIR utilizes many South Coast AQMD's recommended thresholds and mitigation strategies, it lacks clear discussion on whether all feasible mitigation measures relative to recent warehouse best practices have been adopted.

Recommended Revision to Air Quality Mitigation Measure MM AIR-2E for Operation The air quality analysis in the Draft EIR concludes that the Proposed Project's regional operational emissions for NOx would remain significant even after mitigation measures are applied. The Draft EIR also states that the majority of the Proposed Project's NOx operational emissions come from mobile sources. Once operational, the Proposed Project is anticipated to result in approximately 1,300 one-way truck trips per day. CEQA also requires that all feasible mitigation measures that

¹⁷ South Coast AQMD, 2022 Air Quality Management Plan (AQMP). Available at: http://www.aqmd.gov/home/air-

quality/clean-air-plans/air-quality-mgt-plan

¹⁶ State of California – Department of Justice, Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act. Available at: https://oag.ca.gov/system/files/media/warehouse-best-practices.pdf

¹⁸ United States Environmental Protection Agency (U.S. EPA), Mobile Source Pollution - Environmental Justice and Transportation. Available at: https://www.epa.gov/mobile-source-pollution/environmental-justice-and-transportation

go beyond what is required by law be utilized to minimize or eliminate any significant adverse air quality impacts.

The Draft EIR contains mitigation measure MM AIR-2E which states that "To reduce truck trip emissions (i.e., light-heavy, medium-heavy, and heavy-heavy duty trucks with a gross vehicle weight of 8,501 pounds or greater) and promote the use of near-zero emission (NZE) and zero emission vehicles (ZEV), the City shall require the applicant to, ..." To further reduce the Proposed Project's significant and unavoidable air quality impacts during operation, the Lead Agency is recommended to consider revising MM AIR-2E so that tenants which do not already operate 2014 and newer model year trucks are encouraged by the developer/successor-in-interest to apply for funding to replace the older diesel trucks with newer, less emitting trucks.

Assessment of Emissions and Operational Hours for Emergency Standby Engines
The Proposed Project involves the installation of two new emergency standby engines, each with a rating of 2,011 brake horsepower. The Draft EIR indicates that these engines are anticipated to have a non-emergency runtime of 50 hours per year for monthly testing; otherwise, these engines would only operate during emergencies or sustained power outages when the Cogen facility is not in operation or operating at reduced loads. In addition, according to Table 4 – Stationary Source Emissions Estimates of Appendix C2, and the technical files prepared by MIG, Inc., the emission calculations are based on the assumption that the emergency standby engines will be operating 50 hours per year.

It is important to note that South Coast AQMD air permits issued for emergency engines typically allow up to 50 hours per year for maintenance and testing, with a maximum of 200 total operational hours per year (including emergency use). As a result, the analysis of operational emissions for these two new emergency engines should calculate the future emissions based on the assumption of 200 hours of operation per year per unit. If fewer hours are assumed for the two new emergency engines, South Coast AQMD staff would need to include a permit condition to limit operations of these emergency engines to the hours specified in the CEQA analysis. Therefore, it is recommended that the Lead Agency revise the emissions calculations for the emergency engines to reflect the maximum allowable usage. These revisions should be incorporated into the analysis of operation emissions and the level of significance should be re-examined and updated accordingly. The revised calculations and supporting evidence should be included in the Final EIR.

South Coast AQMD Air Permits and Role as a Responsible Agency

Implementation of the Proposed Project would require the use of new stationary and portable sources for which air permits from South Coast AQMD will be required. Specifically, the Draft EIR describes features of the Proposed Project including a new Cogen facility which will have two new natural gas engines and two new diesel-fueled emergency standby engines, a new groundwater well and transmission water line with chlorinated water treatment. However, the Draft EIR does not provide details or emission estimates associated with these industrial processes and equipment that will be utilized such as the engines, pumps and associated chemicals (delivery and use) for the water treatment activities. In addition, it is unclear whether a new or modified electrical transmission line to the local utility will be needed. The Lead Agency is recommended to revise the project description and analysis/calculations to include all of the construction and operation emissions associated with all of the industrial equipment plus any chemicals and their associated storage needs and delivery methods.

In addition, the Final EIR should include a discussion about the South Coast AQMD rules that may be applicable to the Proposed Project. Those rules may include, for example, Rule 201 – Permit to Construct, ¹⁹ Rule 203 – Permit to Operate, ²⁰ Rule 401 – Visible Emissions, ²¹ Rule 402 – Nuisance, ²² Rule 403 – Fugitive Dust, ²³ Rule 1110.2 – Emissions from Gaseous and Liquid-Fueled Engines, ²⁴ Rule 1113 – Architectural Coatings, ²⁵ Rule 1166 – Volatile Organic Compound Emissions from Decontamination of Soil, ²⁶ Rule 1179 – Publicly Owned Treatment Works Operations, ²⁷ Regulation XIII – New Source Review, ²⁸ Rule 1401 – New Source Review of Toxic Air Contaminants, ²⁹ Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants, ³⁰ Rule 1470 – Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines, ³¹ etc. It is important to note that when air permits from South Coast AQMD are required, the role of South Coast AQMD would change from a Commenting Agency to a Responsible Agency under CEQA. In addition, if South Coast AQMD is identified as a Responsible Agency, per CEQA Guidelines Sections 15086, the Lead Agency is required to consult with South Coast AQMD.

CEQA Guidelines Section 15096 sets forth specific procedures for a Responsible Agency, including making a decision on the adequacy of the CEQA document for use as part of the process for conducting a review of the Proposed Project and issuing discretionary approvals. Moreover, it is important to note that if a Responsible Agency determines that a CEQA document is not adequate to rely upon for its discretionary approvals, the Responsible Agency must take further actions listed in CEQA Guidelines Section 15096(e), which could have the effect of delaying the implementation of the Proposed Project. In its role as CEQA Responsible Agency, the South Coast AQMD is obligated to ensure that the CEQA document prepared for this Proposed Project contains a sufficient project description and analysis to be relied upon in order to issue any discretionary approvals that may be needed for air permits. Based on the earlier comments, South Coast AQMD is concerned that the project description and analysis in its current form in the Draft EIR is inadequate to be relied upon for this purpose. For these reasons, the Final EIR should be revised to include a discussion about any and all new stationary and portable equipment requiring South Coast AOMD air permits, provide the evaluation of their air quality and greenhouse gas impacts, and identify South Coast AQMD as a Responsible Agency for the Proposed Project as this information will be relied upon as the basis for the permit conditions and emission limits for the air permit(s). Please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-3385 for questions regarding what types of equipment would require air permits. For more general permits, please information on visit South Coast AOMD's webpage https://www.agmd.gov/home/permits.

¹⁹ South Coast AQMD, Rule 201 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf

²⁰ South Coast AQMD,. Rule 203 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf

²¹ South Coast AQMD, Rule 401 is available at: https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-401.pdf

²² South Coast AQMD, Rule 402 is available at: https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf

²³ South Coast AQMD, Rule 403 is available at: https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403

²⁴ South Coast AQMD, Rule 1110.2 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110_2.pdf

²⁵ South Coast AQMD, Rule 1113 is available at https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf

²⁶ South Coast AQMD, Rule 1166 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf

²⁷ South Coast AQMD, Rule 1179 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf

²⁸ South Coast AQMD. Regulation XIII is available at: https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii

²⁹ South Coast AQMD, Rule 1401 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf

³⁰ South Coast AQMD, Rule 1466 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf

³¹ South Coast AQMD, Rule 1470 is available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf

Conclusion

As set forth in Public Resources Code Section 21092.5(a) and CEQA Guidelines Section 15088(a-b), the Lead Agency shall evaluate comments from public agencies on the environmental issues and prepare a written response at least 10 days prior to certifying the Final EIR. As such, please provide South Coast AQMD written responses to all comments contained herein at least 10 days prior to the certification of the Final EIR. In addition, as provided by CEQA Guidelines Section 15088(c), if the Lead Agency's position is at variance with recommendations provided in this comment letter, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided.

Thank you for the opportunity to provide comments. South Coast AQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact Jivar Afshar, Air Quality Specialist, at jafshar@aqmd.gov should you have any questions.

Sincerely,

Sam Wang

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BR:SW:DN:JA

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