NOTICE OF DECISION

To: Office of the Secretary for Resources
   Attn: General Counsel’s Office
   1416 9th Street, Suite 1211
   Sacramento, CA 95814

From: SCAQMD
       Office of Planning and Policy
       21865 Copley Drive
       Diamond Bar, CA 91765

Subject: FILING OF NOTICE OF DECISION IN COMPLIANCE WITH §21080.5 OF THE PUBLIC RESOURCES CODE

Project Title: Final Subsequent Environmental Assessment (SEA) prepared for proposed amended Rules (PARs) 2700 – General, 2701 – SoCal Climate Solutions Exchange, and 2702 – Greenhouse Gas Reduction Program

SCAQMD Number: 100330JI
SCH Number: 2008111002
Contact Person: Jeffrey J. Inabinet
Telephone Number: (909) 396-2453

Project Location: South Coast Air Quality Management District area of jurisdiction: 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 and Mojave Desert Air Basin

Project Description: The currently proposed project requires the following modifications to Rules 2700, 2701 and 2702: 1) amend Rule 2700 so current and future protocols can be added without California Air Resources Board (CARB) approval; 2) amend Rules 2701 and 2702 to incorporate the following amendments: a) update the forest project, urban forestry project, and manure management project protocols to be consistent with the most current versions; b) limit forestry projects to include only reforestation and forestry maintenance projects without harvesting; and c) add a new SCAQMD-developed boiler and process heater efficiency protocol to the protocol list. The purpose of the boiler protocol is to establish a method to quantify voluntary reductions in greenhouse gas (GHG) emissions resulting from an improvement in the efficiency of a boiler or process heater beyond what is required by any rule or regulation. Efficiency improvements would be achieved by retrofitting boilers or process heaters with an economizer/combustion air pre-heater or an Oxygen Trim System (OTS). A previously certified Final PEA for Rule 2702 from February 2009 (SCH No. 2008111002) was recently recirculated with the intent to rely on the analysis from this previous document for the currently proposed amendments to Rules 2700, 2701 and 2702. However, the notice of reliance has subsequently been withdrawn. The previously certified 2009 Final PEA analyzed potential adverse impacts from greenhouse gas (GHG) reduction projects undertaken by the SCAQMD pursuant to the approved forest, urban forestry and manure management protocols that were included in Rule 2702, as well as concepts for a boiler efficiency protocol that was not yet completed at the time of adoption. However, the potential impact of the boiler protocol’s use under Rule 2701 was not analyzed. Therefore, the focus of the analysis in this Draft Subsequent EA is on potentially significant adverse impacts of amending Rule 2701 to add the finalized boiler efficiency protocol along with the analysis of the previously identified impacts from the boiler protocol concepts presented in the previously certified 2009 Final PEA for Rule 2702. The environmental analysis in the Draft Subsequent EA demonstrates that the proposed project would not generate any significant adverse environmental impacts.

This is to advise that the South Coast Air Quality Management District has approved the above described project and has made the following determinations regarding the above described project:

1. The project will not have a significant impact on the environment.
2. Mitigation measures were not made a condition of the approval of this project.
3. A mitigation monitoring program under PRC § 21081.6 was not adopted for this project.
4. A Statement of Findings was not adopted for this project.
5. A Statement of Overriding Considerations was not adopted for this project.

The Final Subsequent Environmental Assessment, supporting documentation, and record of project approval may be examined at: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765.

Date Received for Filing

Signature: Steve Smith, Ph.D.
Program Supervisor, CEQA Section
Planning, Rules, and Area Sources