## NOTICE OF DECISION

To:	Office of the Secretary for Resources	From:	South Coast Air Quality Management District
	General Counsel's Office		Planning, Rule Development, and Area Sources
	1416 9th Street, Suite 1311		21865 Copley Drive
	Sacramento, CA 95814		Diamond Bar, CA 91765

- Subject: Filing of Notice of Decision in compliance with Public Resources Code Section 21080.5(d)(2)(E), CEQA Guidelines Sections 15252(b) and 15094(b), and South Coast AQMD Rule 110(f)
- **Project Title**: Proposed Amended Rule 1110.2 Emissions from Gaseous- and Liquid-Fueled Engines, and Proposed Amended Rule 1100 – Implementation Schedule for NOx

Lead Agency: South Coast Air Quality Management District (South Coast AQMD)

SCH Number: 2016071006	Date Certified: November 1, 2019	
South Coast AQMD Number: 07252019TT		
Contact Person: Tracy Tang	<b>Telephone Number:</b> (909) 396-2484	

**Project Location**: The project will affect facilities subject to Rules 1110.2 and 1100 located within the South Coast AQMD's jurisdiction. The South Coast AQMD has jurisdiction over an area of approximately 10,743 square miles, consisting of the four-county South Coast Air Basin (Basin) (Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties) as defined in California Code of Regulations, Title 17, Section 60104, and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB). The Basin, which is a subarea of South Coast AQMD's jurisdiction, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto mountains to the north and east. It includes all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portion of the SSAB is bounded by the San Jacinto Mountains in the west and spans eastward up to the Palo Verde Valley. A federal non-attainment area (known as the Coachella Valley Planning Area) is a subregion of Riverside County and the SSAB that is bounded by the San Jacinto Mountains to the west and spans to the west and the eastern boundary of the Coachella Valley to the east.

**Project Description:** Rules 1110.2 and 1100 were amended to further reduce emissions of oxides of nitrogen (NOx) from stationary engines originally subject to the Regulation XX - Regional Clean Air Incentives Market (RECLAIM). Amended Rule 1110.2 applies to RECLAIM and non-RECLAIM stationary and portable engines rated greater than 50 brake horsepower (bhp). Amendments to Rule 1110.2 were adopted that: 1) include internal combustion engines operated at current and former RECLAIM facilities which were not previously subject to Rule 1110.2 and require them to comply with Best Available Retrofit Control Technology; 2) exempt non-emergency engines operated at remote two-way radio transmission towers; 3) establish an interim limit for electric generating units that do not have ammonia emissions from add-on control equipment; and 4) exempt Tier 4 - Final diesel engines powering cranes operated in the Southern California Coastal Waters or Outer Continental Shelf. Amendments to Rule 1100 were adopted that: 1) require two- and four-stroke lean-burn compressor gas engines to comply with the NOx emission limits in amended Rule 1110.2 within 24 months after a permit to construct is issued and require the permit application be submitted by July 1, 2021; 2) require all other qualifying engines to meet the NOx emission limits by December 31, 2023; 3) extend compliance date for achieving the emission limits specified in the rule and adding interim emission limits for compressor

gas lean-burn engines if the owners or operators submit a request for a time extension; 4) add alternative emission limits for compressor gas lean-burn engines; 5) extend the compliance date for achieving the emission limits for compressor gas lean-burn engines undergoing a facility-wide engine modernization; 6) adding a requirement for permit applications to be submitted by July 1, 2021; and 7) adding low-use criteria for diesel engines operated at ski resorts. The proposed project is estimated to reduce NOx emissions by 0.29 ton per day.

While reducing emissions of NOx and other contaminants will create an environmental benefit, activities that facility operators may undertake to comply with amended Rules 1110.2 and 1100 may also create secondary adverse environmental impacts in the topic area of hazards and hazardous materials. As such, mitigation measures were crafted to reduce these potentially significant adverse hazards and hazardous materials impacts; however, they could not be mitigated to a level of less than significance. No other environmental topic areas were identified as having potentially significant adverse environmental impacts.

Thus, Findings, a Statement of Overriding Considerations, and a Mitigation, Monitoring, and Reporting Plan were adopted for this project. This is to advise that the South Coast AQMD has certified the Final SEA and approved the above-described project, and has made the following determinations:

- 1. The requirements for a Subsequent Environmental Impact Report have been triggered pursuant to South Coast AQMD's Certified Regulatory Program (Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(1); codified in South Coast AQMD Rule 110) and CEQA Guidelines Section 15162, and that a Final SEA, a substitute document allowed pursuant to CEQA Guidelines Section 15252 and South Coast AQMD's Certified Regulatory Program, was prepared.
- 2. The Final SEA concluded that the project may have a significant adverse effect on the environment for the topic of hazards and hazardous materials due to the storage and use of aqueous ammonia.
- 3. Because the Final SEA concluded that the project may have significant adverse hazards and hazardous materials impacts, mitigation measures were included and were made a condition of approval of the project. A Mitigation, Monitoring, and Reporting Plan, pursuant to Public Resources Code Section 21081.6 and CEQA Guidelines Section 15097, was required and adopted for this project. However, no feasible mitigation measures were identified that would reduce the hazards and hazardous materials impacts to a less than significant level while still achieving the project's goals and objectives.
- 4. Thus, Findings pursuant to CEQA Guidelines Section 15091 and a Statement of Overriding Considerations pursuant to CEQA Guidelines Section 15093 were required and adopted for this project.

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

Signature:

Date Received for Filing

Barbara Radlein Program Supervisor, CEQA Planning, Rule Development, and Area Sources