NOTICE OF PUBLIC HEARING

PROPOSED ADOPTION OF, OR AMENDMENTS TO, THE RULES AND REGULATIONS OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT AND PROPOSED SUBMISSION INTO THE STATE IMPLEMENTATION PLAN

RE: Proposed Amended Regulation XX – Regional Clean Air Incentives Market (RECLAIM)

NOTICE IS HEREBY GIVEN that a public hearing on the matter of adoption of rules and regulations for the South Coast Air Quality Management District (SCAQMD), or the amendments thereto, will be held on December 4, 2015 in the Auditorium at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, CA 91765, at 9:00 a.m., at which time evidence will be taken and all interested persons will be heard by the SCAQMD Board.

NOTICE IS FURTHER GIVEN that the SCAQMD is considering the adoption of Proposed Amended Regulation XX – Regional Clean Air Incentives Market (RECLAIM). The proposed amended Regulation XX will implement Control Measure CMB-01 of the 2012 Air Quality Management Plan and make further reductions of nitrogen oxides (NOx) from RECLAIM facilities. The proposed amendments implement NO_x Best Available Retrofit Control (BARCT) for various equipment by establishing RECLAIM Trading Credit (RTC) reduction targets and RTC adjustment factors for year 2016 and beyond. The proposed amendments include a Regional New Source Review (NSR) Holding Account for new power producing facilities, a delay in relative accuracy testing audit (RATA) due dates for specified situations, both a quarterly maximum (quicker response) and minimum price triggers for RECLAIM program review, and other administrative changes. In addition, an off-ramp for electrical generating facilities at BACT or BARCT is proposed as well as provisions that would remove RTCs from the RECLAIM Program for equipment and facilities that have shutdown. At full implementation the proposed amendments will reduce NOx RTCs by 14 tons per day by December 2022.

NOTICE IS FURTHER GIVEN that the Proposed Amendments to Rule 2001 – Applicability, Rule 2002 - Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx), Rule 2005 - New Source Review for RECLAIM, Rule 2011 – Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SOx) Emissions, Rule 2012 – Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx), and Rule 2015 - Backstop Provisions will be submitted to the California Air Resources Board and the United States Environmental Protection Agency for inclusion into the State Implementation Plan.

NOTICE IS FURTHER GIVEN that the Proposed Amendments to Rules 2001, 2002, 2005, 2011, 2012, and 2015 implement Sections 110, 172, 182(e), and 189 of the Clean Air Act.

NOTICE IS FURTHER GIVEN that a written analysis pursuant to Health and Safety Code Section 40727.2 has been prepared that identifies all existing federal air pollution control requirements, all SCAQMD existing and proposed rules and regulations, and all pollution control requirements and guidelines that apply to the same equipment or source type as the rules proposed for amendment.

NOTICE IS FURTHER GIVEN that the SCAQMD staff has prepared documents, for consideration by the SCAQMD Board, including:

Proposed Amended Rules 2001, 2002, 2005, 2011, 2012, and 2015
Staff Report for Amended Rules 2001, 2002, 2005, 2011, 2012, and 2015
Draft Program Environmental Assessment for Proposed Amended Regulation XX

Regional Clean Air Act Incentives Market, prepared pursuant to the California Environmental Quality Act

Draft Socioeconomic Assessment for Proposed Amended Rules 2001, 2002, 2005, 2011, 2012, and 2015

Comparative Analysis for Amended Rules 2002, 2005, 2011, 2012, and 2015, included in the Staff Report

NOTICE IS FURTHER GIVEN that the above documents are available for review on the SCAQMD website at <u>http://www.aqmd.gov/home/regulations/rules/proposed-rules</u> or may be obtained from the SCAQMD's Public Information Center located in the SCAQMD headquarters lobby, or the SCAQMD's publication request line at (909) 396-2039 or from: Mr. Derrick Alatorre - Assistant Deputy Executive Officer/Public Advisor, South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765, (909) 396-3122, <u>dalatorre@aqmd.gov</u>.

NOTICE IS FURTHER GIVEN that at the conclusion of the public hearing, the SCAQMD Board may make other modifications to Proposed Amendments to Rules 2001, 2002, 2005, 2011, 2012, and 2015 which are justified by the evidence presented, or may decline to adopt it.

Questions, comments or requests for clarification regarding Proposed Amendments to Rules 2001, 2002, 2005, 2011, 2012, and 2015 can be directed to Gary Quinn, Planning, Rule Development and Area Sources, SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765, gquinn@aqmd.gov, (909) 396-3121. All CEQA inquiries can be directed to Barbara Radlein, CEQA Section, Office of Planning, Rule Development and Area Sources, SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765, bradlein@aqmd.gov or by calling (909) 396-2716. All inquiries regarding the Socioeconomic Assessment can be directed to Shah Dabirian, Socioeconomic Section, Office of Planning, Rule Development and Area Sources, SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765, sdabirian@aqmd.gov, (909) 396-3076.

Interested persons may attend and submit oral or written statements at the Board Hearing. Twenty-five (25) copies of all written materials must be submitted to the Clerk of the Board. Individuals who wish to submit written comments for review prior to the hearing must submit such comments to the Clerk of the Board, 21865 Copley Drive, Diamond Bar, CA, 91765-4178, (909) 396-2500, or to <u>cob@aqmd.gov</u> on or before Tuesday, November 24, 2015. Electronic submittals will only be accepted if no more than 10 pages including attachments; and in MS Word, plain or HTML format.

DATED: OCTOBER 28, 2015

DENISE GARZARO Senior Deputy Clerk