BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Initial Study for Proposed Amendments to New Source Review and Title V Permitting Regulations

BAAQMD Regulation 2, Rule 1: General Requirements BAAQMD Regulation 2, Rule 2: New Source Review BAAQMD Regulation 2, Rule 4: Emissions Banking BAAQMD Regulation 2, Rule 6: Major Facility Review

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CHAPTER 1

PROJECT DESCRIPTION

Introduction

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Background and Project Description

1.1 INTRODUCTION

The Bay Area Air Quality Management District (BAAQMD or District) is developing proposed amendments to its "New Source Review" (NSR) and "Title V" permitting regulations. The proposed amendments will update these important permitting programs to reflect recent regulatory developments in a number of areas. District Staff are currently developing the proposed amendments, which will be submitted to the District's Board of Directors for consideration and adoption.

The permitting regulations that are the subject of the proposed amendments are in District Regulation 2. The regulations implementing the District's New Source Review permitting program are in Regulation 2, Rule 2 (with additional supporting regulations related to emissions banking in Regulation 2, Rule 4). The regulations implementing the District's Title V permitting program are in Regulation 2, Rule 6. The proposed amendments also address elements of Regulation 2, Rule 1, which contains general provisions applicable to all District permitting programs, including NSR and Title V. These permitting programs, and the regulations implementing them, are described in more detail in Section 1.4 below.

The proposed amendments include a number of revisions to the District's NSR and Title permitting programs. The principal changes include the following:

- Adding new permitting requirements for fine particulate matter (specifically, particulate matter with an aerodynamic diameter of less than 2.5 microns, or " $PM_{2.5}$ ") and for greenhouse gases (GHGs).
- Adopting a "Prevention of Significant Deterioration" (PSD) permitting program an important sub-element of the NSR program into District regulations for approval by the U.S. Environmental Protection Agency (EPA).
- Non-substantive revisions to reorganize and clarify the regulatory language to make it easier to understand and implement.
- Other miscellaneous revisions and updates to various regulatory provisions.

These changes are described in more detail in Section 1.4.4. In addition, the specific regulatory language of the proposed amendments is set forth in the drafts that District Staff are publishing in connection with this document.

1.2 AGENCY AUTHORITY

The California Environmental Quality Act (CEQA), Public Resources Code § 21000 et seq., requires that the potential environmental impacts of proposed projects must be evaluated; and that if there will be any "significant" adverse environmental impacts, that feasible methods to reduce, avoid or eliminate such significant adverse impacts must be identified and implemented. To fulfill the purpose and intent of CEQA, the District is the lead agency for this project and has prepared this Initial Study for the Proposed

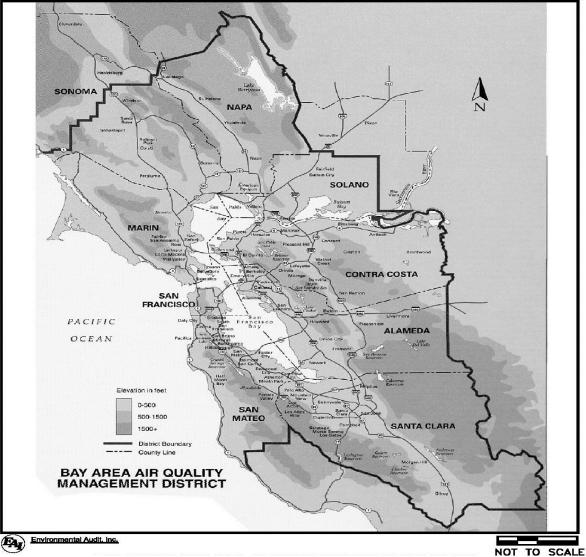
Amendments to Regulation 2, Rule 1 (General Requirements); Regulation 2, Rule 2 (New Source Review); Regulation 2, Rule 4 (Emissions Banking); and Regulation 2, Rule 6 (Major Facility Review). An EIR is the appropriate document when "there is substantial evidence, in light of the whole record before a lead agency, that a project may have a significant effect on the environment" (CEQA Guidelines Section 15064(a)(1).) As explained in this document, there is information that suggests that the proposed amendments may have a significant adverse environmental impact, and so the District is preparing an EIR to examine such issues in detail. No decision is made at this stage whether there will in fact be any potential for such significant adverse impacts; the purpose of the EIR is to evaluate such issues so that a final conclusion can be reached based on a comprehensive analysis.

The Lead Agency is the "public agency that has the principal responsibility for carrying out or approving a project that may have a significant effect upon the environment" (Public Resources Code Section 21067.) The District has the primary responsibility for approving and carrying out this project, because the proposed amendments involve the District's permitting regulations and it is the District that will be developing, adopting and implementing them. (See CEQA Guidelines Section 15051(a).)

The District is providing a Notice of Preparation concurrently with publication this Initial Study, as required by CEQA.

1.3 PROJECT LOCATION

The District has jurisdiction of an area encompassing 5,600 square miles that includes all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties, and portions of southwestern Solano and southern Sonoma counties. The San Francisco Bay Area is characterized by a large, shallow basin surrounded by coastal mountain ranges tapering into sheltered inland valleys. The combined climatic and topographic factors result in increased potential for the accumulation of air pollutants in the inland valleys and reduced potential for buildup of air pollutants along the coast. The Basin is bounded by the Pacific Ocean to the west and includes complex terrain consisting of coastal mountain ranges, inland valleys and bays (see Figure 1-1).



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Figure 1-1 Bay Area Air Quality Management District Location

1.4 BACKGROUND AND PROJECT DESCRIPTION

1.4.1 "New Source Review" and Title V Permitting

The proposed amendments update the District's regulations that implement two important Clean Air Act permitting programs, New Source Review and Title V. The following is a background discussion to provide the context in which the proposed amendments will apply.

New Source Review

"New Source Review" is a pre-construction permitting review requirement that ensures that when a new source of air pollution is built, or when an existing source of air pollution is modified, the project will implement and comply with all current regulatory standards governing air emissions. It focuses on projects at the design stage, before construction on the source begins, where it is easiest and most appropriate to incorporate the most effective pollution control technology (i.e., as opposed to having to retrofit a source after it is built). Based upon this pre-construction review, the District issues an "Authority to Construct" for the source that authorizes construction and imposes permit conditions to ensure that the source satisfies all applicable regulatory requirements. The District's New Source Review permitting program is contained in Regulation 2, Rule 2. In addition, Regulation 2, Rule 4 contains ancillary provisions regarding emissions banking, which help implement the "offsets" requirements of the NSR program (see further description below); and Regulation 2, Rule 1 contains general requirements that apply to all District permitting, including NSR permitting.

One of the principal purposes of New Source Review permitting is to help ensure that the Bay Area's air quality complies with EPA's National Ambient Air Quality Standards (NAAQS). The NAAQS are health-based standards for the amount of air pollutants that can be present in the air we breathe. EPA establishes these standards for a group of important air pollutants called "criteria" pollutants, and then designates each region of the country as "attainment" or "non-attainment" of the NAAQS for each pollutant based on measurements of air quality in the region. Where a region is designated as "non-attainment" for a pollutant, the region needs to take regulatory action to reduce the amount of that pollutant being emitted region-wide so as to come back into attainment. Where a region is designated as "attainment", it is not out of compliance and so there is not as urgent a need for regulatory action. It is important to be vigilant so that air quality does not deteriorate to such an extent that it violates the NAAQS, however, so the region still has important responsibilities with respect to pollutants for which it is "attainment" of the NAAQS.¹

¹ For certain pollutants, a region may be designated as "unclassified" because there is insufficient data to make an attainment determination or EPA may not have established a NAAQS for that particular pollutant. Such areas are treated the same as "attainment" areas for purposes of New Source Review permitting. The remainder of this discussion will use the term "attainment" to refer to both attainment and unclassified pollutants.

The NSR permitting program helps implement these efforts to get ambient air quality into compliance – and to stay in compliance – with the NAAQS. As noted above, it requires new sources and modifications to existing sources to obtain a pre-construction NSR permit and implement certain emissions-control requirements. It applies to "major" facilities – facilities with emissions over 100 or 250 tons per year (depending on the source category) – and it requires new and modified sources at such facilities to obtain an NSR permit where the new source or modification will result in a "significant" increase in emissions of air pollutants. This "significant" increase threshold varies by pollutant, but it is generally between 10 tons per year and 100 tons per year.

For *non-attainment pollutants*, the NSR requirements are somewhat more stringent, in recognition of the fact that more needs to be done for non-attainment pollutants to get the region into attainment of the NAAQS. This element of NSR permitting is called "Non-Attainment NSR", and the principal requirements are the following:

- <u>Best Available Control Technology</u>: Non-Attainment NSR requires that new and modified sources use the "Best Available Control Technology", or "BACT", to control emissions. In general, BACT is the most effective type of control technology or most stringent emissions limitation that has been required at other similar sources, or that is technically and economically feasible for the source to implement. BACT is defined in current District Regulation 2-2-206. (The definition will be moved to Regulation 2-2-202 in the proposed amendments.)
- <u>Emission Offsets</u>: Non-Attainment NSR also requires that new and modified sources obtain emission reductions from existing sources to counter any new emissions increases from the new or modified source. These emission reductions from existing sources "offset" the new emissions so that there is no net increase in emissions overall from sources subject to the offset requirements. The Non-Attainment NSR program also has provisions for "banking" emissions reductions so that when an existing source is shut down the associated emission reductions can be saved for later use in connection with future projects. This "banking" of emission reductions provides an incentive for existing facilities to shut down sources voluntarily when they are no longer needed, rather than keep them in operation until a new source is built that needs the reductions to offset its emissions. The District's offset requirements are in current District Regulations 2-2-302 and 2-2-303, and the banking provisions that help implement the offset requirements are in current District Regulation 2, Rule 4. (The numbering of these provisions will remain the same under the proposed amendments.)
- <u>Compliance Certification</u>: Non-Attainment NSR also requires that the permit applicant for a new or modified source must certify that all of the facilities that it owns in California are in compliance with all applicable air quality regulatory requirements. This requirement is in current District Regulation 2-2-307. (It will be in Regulation 2-2-309 in the proposed amendments.)

- <u>Alternatives Analysis</u>: Non-Attainment NSR also requires that the applicant must demonstrate that the benefits of the proposed new or modified source outweigh any environmental and social costs that would result from its location, construction or modification. This requirement is in current District Regulation 2-2-401.1. (It will be in Regulation 2-2-401.3 in the proposed amendments.)
- <u>Public Notice and Comment Opportunity</u>: Finally, Non-Attainment NSR requires that the public must be notified before any permit is issued for a new or modified source and must be given an opportunity to comment on and provide input into the permitting decision. This notice-and-comment requirement is in current District Regulation 2-2-405. (It will be in Regulation 2-2-404 in the proposed amendments.)

For *attainment pollutants*, the NSR permitting requirements are somewhat less stringent, given that for attainment pollutants the region is – by definition – not out of compliance with the NAAQS and so the situation is not as urgent. It is still important to take steps to control emissions of such pollutants in order that the air quality does not deteriorate to such an extent that an exceedance of the NAAQS occurs, however, and so NSR permitting applies certain important regulatory requirements for these pollutants as well. In keeping with this goal of preventing deterioration, this element of NSR permitting for attainment pollutants is called "Prevention of Significant Deterioration", or "PSD". The principal elements of PSD permitting are the following:²

- <u>PSD Best Available Control Technology</u>: PSD also requires "Best Available Control Technology", although in a slightly less stringent manner than Non-Attainment NSR. The principal difference is that for PSD, cost, energy and ancillary environmental impacts are taken into consideration. If such considerations suggest that a certain type of control technology or emissions limitation is not appropriate at a source, it would not be required as PSD BACT (unlike with Non-Attainment NSR, where BACT requires the control technology or emissions limitation to be used if it has been required at other similar facilities, regardless of any such considerations).³
- <u>Air Quality Impact Analysis (and related analyses)</u>: PSD does not require "offsets" for new emissions increases, as for PSD pollutants the region is, by definition, not in violation of the NAAQS and so it can allow a certain amount of additional emissions without exceeding the health-based air quality standards. To

² Note that unlike Non-Attainment NSR, the relevant PSD provisions applicable to new and modified sources in the Bay Area are not in District regulations, because the District does not have an approved PSD program. See discussion below in Section 1.4.2 for more details.

³ Under the terminology of the federal Clean Air Act, the PSD control requirement is called "Best Available Control Technology" and the more-stringent Non-Attainment NSR control requirement is called "Lowest Achievable Emissions Rate", or "LAER". California calls the more-stringent requirement "BACT", however. To distinguish these concepts, the more-stringent requirement (federal "LAER") is sometimes called "California BACT" and the less-stringent requirement "PSD BACT". This document uses the term "BACT" to refer to the more-stringent requirement, unless specifically noted otherwise.

ensure that any such increases do not jeopardize compliance with the NAAQS, however, PSD requires an analysis of the impacts that the increases will have to ensure that they will not cause or contribute to a NAAQS exceedance. In addition, the analysis must show that the increases will not consume an air quality "increment", which is an increase in air pollutant concentrations that would constitute impermissible "significant deterioration" in air quality. PSD also requires an analysis of whether such increases will adversely affect visibility, soils or vegetation in the region; and any air-quality related values in areas of special environmental value such as National Parks (called "Class I Areas").

• <u>Public Notice and Comment Opportunity</u>: As with Non-Attainment NSR, PSD also requires that the public must be notified before any permit is issued for a new or modified source and must have an opportunity to provide input on the permitting decision.

These two sub-elements – "Non-Attainment NSR" for non-attainment pollutants and "PSD" for attainment (and unclassified) pollutants – are the primary provisions of the New Source Review program. As noted above, they apply under the Clean Air Act at any facility that will emit 100 tons per year or more of any pollutant regulated under the Act, or 250 tons in certain limited cases; and to any new or modified source at such facilities that will cause a "significant" increase in emissions. There are also a few more minor requirements that apply to facilities below this 100/250 ton-per-year "major" facility threshold, which EPA calls "minor NSR" requirements. But for the most part, the Clean Air Act's New Source Review program is implemented through these Non-Attainment NSR and PSD provisions.

<u>Title V</u>

Title V permits are operating permits. Instead of applying at the pre-construction stage like New Source Review permits, the Title V permit requirement – also known as "Major Facility Review" – applies once a source is constructed and begins operating. Title V operating permit requirements also apply to "major" facilities – those with emissions of 100 tons per year or more.

Title V permitting does not impose any new substantive requirements on sources – the substantive requirements to limit emissions are imposed through the pre-construction New Source Review permitting process, through the emissions standards and limitations in the District's regulations, and through other applicable legal requirements. Instead, Title V permits compile all of these substantive requirements in one single document to improve enforceability, implementation, and transparency. The Title V permit thus becomes an important regulatory document covering the facility's operation, providing facility operators, District inspectors, interested members of the public, and others with a single location to readily access all of the legal requirements to which the facility is subject. In this way, Title V permits aid in enhancing the enforceability of air quality requirements, in ensuring compliance with such requirements by the facility, and in providing transparency to the public in how air quality regulations are being

implemented. The District's Title V Major Facility Review permitting program is contained in Regulation 2, Rule 6 (with certain elements of the District's general permitting requirements in Regulation 2, Rule 1 also helping to implement the Title V program).

District Permit Programs Implementing Federal Clean Air Act Requirements

Both the NSR and Title V permitting programs have their genesis in the federal Clean Air Act. In the Clean Air Act, Congress established a requirement that every region of the country must have NSR and Title V permitting programs in place that satisfy the Act's minimum standards. But Congress envisioned that the states would take the lead in implementing these requirements and would adopt their own permitting programs under state law to do so. Congress intended that the states would use their own regulatory powers under state law to establish state-law permitting programs that meet the minimum requirements set forth in the Clean Air Act. EPA would then review these state-law permitting programs to ensure that they were sufficiently stringent, and then would approve them as satisfying the Act's minimum requirements. Once EPA has approved a state's program, the state then implements the Act's requirements through that program, and permits issued by the state agency under that program satisfy the federal legal requirements in the Clean Air Act.

This is the situation for both NSR and Title V permitting. Congress created these programs in the Clean Air Act and then looked to the states (often through local or regional agencies such as the Air District) to adopt their own permitting programs to implement this federal mandate. Congress gave the states leeway to be more stringent if they want to, and California has also adopted its own additional requirements over and above the federal minimum requirements, in particular with respect to New Source Review. But the basic concept is that Congress established certain minimum requirements that need to be in place in every region throughout the county, and then looked to states to adopt their own state-law programs that meet or exceed these federal minimum requirements. Where a state is unwilling or unable to do so, then the federal government – through EPA – steps in and implements its own federal program to ensure that the federal minimum requirements are met in all cases.

1.4.2 The District's Current New Source Review and Title V Programs

The District has adopted permitting programs to implement these federal NSR and Title V programs, with certain additional and more stringent provisions as required by California law and/or District regulations.

With respect to New Source Review, the District has adopted Non-Attainment NSR permitting requirements in Regulation 2, Rule 2 (New Source Review) and related provisions. EPA approved the District's Regulation 2, Rule 2 for Non-Attainment NSR purposes on January 26, 1999. (See 64 Fed. Reg. 2850.) The District's Non-Attainment NSR requirements actually go beyond the federal minimum requirements in a number of

respects. For example, Regulation 2-2 requires BACT for sources with emissions of only 10 pounds per day, whereas the federal requirement does not kick in until 100 tons per year, a much higher threshold. Similarly, Regulation 2-2 requires offsets for ozone precursors (nitrogen oxides (NOx) and volatile organic compounds (VOC)) at facilities with emissions of 10 tons per year, which is also well below the federal threshold of 100 tons per year. Many of these more stringent elements are the result of state-law requirements in the California Health & Safety Code that require the District's program to exceed the federal minimum requirements.

For historical reasons, however, EPA has never approved the District's PSD program. For the PSD element of New Source Review permitting, the District has never had an EPA-approved program. Instead, EPA's federal PSD program set forth in the Code of Federal Regulations governs PSD permitting for sources in the Bay Area. (See 40 C.F.R. § 52.21.) PSD permits issued under this program are federal permits issued through EPA's authority under the Clean Air Act, not District permits issued through the District's authority under the California Health & Safety Code. These are creations of federal law, not state law. They are governed by federal law and regulations, and are appealable through the Environmental Appeals Board (EPA's federal administrative tribunal) and ultimately to the federal courts. For administrative convenience, EPA has delegated the processing of certain types of federal PSD permits to the District, and the District evaluates and issues such permits on EPA's behalf, but they remain federal PSD permits issued under EPA's authority. As EPA's Environmental Appeals Board has noted, in such cases the District does so exercising EPA's federal regulatory authority "standing in the shoes" of EPA.

With respect to Title V permitting, EPA has approved the District's Title V program. Title V permitting in the Bay Area is a District permitting program implemented through District Regulation 2, Rule 6. EPA approved the Title V permitting provisions in Regulation 2, Rule 6 on June 23, 1995. (See 60 Fed. Reg. 32,606.)

This is the current state of the District's NSR and Title V permitting regulations. The proposed amendments would make changes to these regulation programs as they currently exist. The full text of the District's current regulations can be found at www.baaqmd.gov/Divisions/Planning-and-Research/Rules-and-Regulations.aspx; for PSD permitting, the PSD regulations that currently govern permitting in the Bay Area can be found at 40 C.F.R. Section 52.21.

1.4.3 Recent Regulatory Developments

There have been a number of recent regulatory developments regarding New Source Review and Title V permitting since the District last revised its programs. The District is developing the proposed revisions to address these recent developments. These recent developments include the following.

• Bay Area Designated "Non-Attainment" of 24-Hour PM_{2.5} NAAQS:

EPA has recently designated the San Francisco Bay Area as non-attainment of the new short term (24-hour-average) $PM_{2.5}$ NAAQS. This means that EPA has made an administrative determination that the amount of $PM_{2.5}$ in the ambient air in the Bay Area exceeds EPA's federal health-based standard for $PM_{2.5}$, averaged over 24 hours. EPA reviewed data on concentrations of $PM_{2.5}$ in the air measured at locations around the Bay Area over a period of years, and based on this data designated the Bay Area as Non-Attainment of this NAAQS effective December 14, 2009. Now that the Bay Area is designated as non-attainment, the District must update its NSR permitting regulations to add the Non-Attainment NSR requirements outlined above for sources that emit $PM_{2.5}$ (i.e., BACT, offsets, a compliance certification and alternatives analysis, and public notice and comment).

In addition, as part of EPA's PM_{2.5} NSR implementation regulations, EPA has clarified how PM_{2.5} emissions must be measured. There are two components to particulate matter emissions: (i) solid particles that are emitted directly from the exhaust stack; and (ii) gaseous components that are not in solid form when they are emitted but that rapidly condense to form solid particles as they cool down in the ambient air. The first component is known as "filterable" particulate matter, and the second component is known as "condensable" particulate matter. Historically, NSR regulations have not explicitly defined how particulate matter is to be measured, and in many cases NSR has been applied taking only the filterable component into account (although in some cases condensable particulate matter has been included as well). In part, this was because testing methodologies were not as advanced for the condensable component as they were for the filterable component. More recently, however, improvements in testing methodologies led EPA to revise its particulate matter definitions to specify explicitly that both the filterable and condensable components must be included for all purposes for NSR permitting. EPA's PM_{2.5} NSR implementation regulations require that the District amend its particulate matter definitions - both for PM_{2.5} and for particulate matter of less than 10 microns in diameter (PM_{10}) – to state explicitly that such emissions include both the filterable and condensable components. (See EPA's PM_{2.5} Implementation Rule, 73 Fed. Reg. 28,321 (May 16, 2008), for further details.)

• Federal Regulation of GHGs:

EPA has begun regulating GHG emissions from light duty cars and trucks. Although these requirements apply to mobile sources, they are the first time that EPA has imposed substantive emissions limitations on GHG emissions under the Clean Air Act. As a result of these regulations, GHGs are now "subject to regulation" as that phrase is used under the NSR and Title V programs. Those programs require NSR and Title V permitting for major stationary sources for all pollutants that are "subject to regulation", which now includes GHGs. The District's permitting programs must now include GHGs to reflect this requirement. (See EPA's so-called "Tailoring Rule", 75 Fed. Reg. 31,515 (June 3, 2010), for further details.)

• Problems Arising From the Lack of EPA-Approved PSD Program:

As noted above, the District has never had an EPA-approved PSD program. Instead, EPA has been administering the PSD program itself under its federal regulations, with the District issuing PSD permits on EPA's behalf under a federal delegation agreement. When this arrangement was first set up, it appeared to be a workable arrangement because EPA's PSD permitting procedures are very similar to the District's Non-Attainment NSR permitting procedures, and it was presumed that if the District simply followed its own permitting procedures, that would satisfy both District requirements and federal PSD requirements. Experience has shown otherwise, however. A number of situations have arisen where slight differences between the District's permitting requirements and the federal PSD requirements have led to problems with PSD permitting that resulted in procedurally defective PSD permits. It is now clear that having separate permitting regulations for Non-Attainment NSR (under District regulations) and for PSD (under EPA's federal regulations) is untenable. It is clear that to avoid such problems the District needs to adopt its own District PSD permitting requirements and have EPA approve them for PSD permitting in the Bay Area.

• Other Deficiencies in Current NSR Provisions:

Finally, District staff have also come to realize over recent years that the District's NSR regulations are in some places difficult to understand and implement. The regulations have developed organically over the years as new requirements have been added or updated, and sometimes that has happened without an eye to how the regulations work as a coherent whole. District staff have therefore realized that Regulation 2, Rule 2 (and certain other provisions) are in need of an overhaul to reorganize and clarify them. In addition, certain regulatory language is confusing and it can be difficult to understand how the regulation is intended to be applied in practice. This situation can cause confusion among the regulatory community and others about what exactly is required by the regulations, and it can lead to inconsistent implementation by District staff. To address these issues, the proposed amendments reorganize Regulation 2, Rule 2 and related provisions and revise much of the regulatory language used to present it in a manner that is clearer and easier to understand.

Furthermore, as staff were going through this process and developing the proposed amendments, certain substantive deficiencies came to light regarding these regulations. In some cases, EPA staff and others pointed out certain areas where the District's existing NSR program does not fully satisfy EPA's requirements for such programs. In other cases, District staff identified areas in which the program should be amended in order to work more effectively. Staff are addressing these issues in the proposed amendments.

1.4.4 Proposed Amendments to Regulation 2

District Staff have developed the proposed amendments to address the recent regulatory developments outlined above. The proposed amendments will update the District's NSR and Title V permitting programs accordingly.

The proposed amendments will affect the District's permitting rules in Regulation 2, and in particular the New Source Review regulations in Regulation 2, Rule 2 and Title V regulations in Regulation 2, Rule 6. The proposed revisions to each of these Rules in Regulation 2 are set forth in draft revised regulations available on the District's website at <u>www.baaqmd.gov/Divisions/Engineering/Proposed-Reg-2-Changes.aspx</u>. The proposed amendments reflect a process of discussion with and input from a large number of stakeholders and other governmental agencies, including CARB and EPA, that has taken place over many months. District staff published a first draft of the proposed amendments received developed a revised second draft of the proposed amendments. Staff expect that the final proposal that the District's Board of Directors will be substantially what is contained in this revised second draft, although staff may make additional changes based on further input from interested members of the public and further consideration of the issues involved.

The proposed amendments include the following changes to the District's NSR and Title permitting programs:

• Adding new NSR permitting requirements for PM_{2.5}.

The proposed amendments add new Non-Attainment NSR permitting requirements for $PM_{2.5}$. They add (i) a BACT requirement for $PM_{2.5}$, in Section 2-2-301; (ii) $PM_{2.5}$ offsets requirements, in Section 2-2-303; (iii) a compliance certification requirement, in Section 2-2-309; (iv) an alternatives analysis requirement, in Section 2-2-401.3; and (v) a public notice and comment requirement, in Section 2-2-404 (and related provisions). (These requirements exist in the District's current Non-Attainment NSR requirements for other pollutants; the proposed amendments expand the existing requirements so that they apply to $PM_{2.5}$ as well.) The proposed amendments also include revisions to the District's emissions offsets banking regulation (Regulation 2, Rule 4) to ensure that the banking provisions will address $PM_{2.5}$ as well.

The proposed amendments also specify that $PM_{2.5}$ and PM_{10} must be addressed taking into account both the filterable and condensable portion of the particulate emissions. They add a new definition for $PM_{2.5}$, and revise the existing definition of PM_{10} , to specify that the condensable portion must be included. (See Sections 2-1-229 and 2-1-241.) They also include provisions to specify how to treat historical permit limits and regulatory determinations that may have been made taking into account only the filterable portion. (See sections 2-1-604 and 2-1-604.)

• Adding NSR and Title V permitting requirements for GHGs.

The proposed amendments will include GHG permitting requirements for the NSR and Title V programs.

For Title V, adding GHG is primarily a matter of adding GHGs to the list of regulated air pollutants in Section 2-6-222; GHGs will be added in new subsection 2-6-222.6. The proposed amendments also include a number of other ancillary additions to ensure that other related implementation provisions address GHGs as well.

For NSR, GHGs are regulated under the PSD element of the NSR program because they are not "non-attainment" pollutants. (There is no NAAQS for GHGs, and so by definition the Bay Area cannot be non-attainment for GHGs.) GHG regulation will be implemented as part of the PSD program that is included in the proposed amendments described below.

• Adopting a PSD permitting program for approval by EPA.

The proposed amendments add provisions to create a PSD permitting program that can be approved by EPA under the Clean Air Act. The primary PSD provisions include (i) a new term "PSD Project" in Section 2-2-224 to define the types of new sources and modifications to which the PSD provisions apply (along with some related definitions to help implement this term); (ii) a PSD BACT requirement in Section 2-2-304, which requires PSD BACT for all new and modified sources above the PSD applicability thresholds; (iii) a PSD air quality impact analysis requirement in Section 2-2-305, which requires a demonstration that the PSD Project will not cause or contribute to a violation of any NAAQS or any PSD increment; (iv) a PSD additional impacts analysis requirement in Section 2-2-306, which requires an analysis of potential impacts to visibility, soils and vegetation from the project and from any associated growth; (v) a Class I Area impact analysis in Section 2-2-307, which requires projects that may impact any Class I Area to conduct an analysis of potential impacts to air-quality-related values within such areas; and (vi) a public notice and comment requirement, in Section 2-2-404 (and related provisions). These provisions will apply to major emitters of all PSD pollutants, which includes GHGs as noted above.

• Reorganizing and revising a number of provisions of Regulation 2 so that the regulation is clearer and easier to understand and implement.

The proposed amendments also include a major reorganization of Regulation 2, Rule 2. This reorganization is not intended to make substantive changes to the way NSR permitting works (the various areas in which substantive changes are being proposed are described elsewhere); it is simply intended to make the regulation clearer and easier to understand and implement. In addition, the regulatory language that implements the NSR permitting requirements is being revised and clarified in a number of places, for similar reasons. The bulk of these clarifying and organization revisions are in Regulation 2, Rule

2, although a few such changes are being made in the other Rules addressed by the proposed amendments.

• NAAQS Compliance Demonstration

The proposed amendments also add a requirement for all new sources and modifications that will result in a significant increase in emissions to demonstrate that they will not cause or contribute to an exceedance of any National Ambient Air Quality Standard. This NAAQS compliance demonstration is similar to the air quality impact analysis required for PSD permitting, but it applies more broadly. The PSD requirement applies only to facilities over the PSD "major" facility threshold (emissions greater than 100 or 250 tons per year, depending on the source category); and it applies only to PSD pollutants. The expanded NAAQS compliance demonstration requirement applies to all facilities regardless of their size, and for <u>all</u> pollutants, including non-attainment pollutants. The requirement will apply to all new sources and modifications to existing sources that will result in a "significant" increase in emissions (using the established NSR "significance" thresholds, which are set forth in Section 2-2-227). Staff are adding this requirement for a number of reasons, including (i) a request by EPA Region IX staff to include provisions specifically aimed at ensuring that non-"major" sources will not interfere with attainment or maintenance of the NAAQS, as required by 40 C.F.R. Sections 51.160(a) and (b); (ii) comments received from the public noting that smaller sources could have the potential to cause NAAQS exceedances, even when they are below the NSR "major" facility thresholds; and (iii) a general policy concern that all appropriate precautions should be taken to ensure that the NAAQS are protected, given the important environmental and public health protections that those standards embody. This new requirement is in Section 2-2-308 in the proposed amendments.

• Public Notice and Comment for Smaller Sources.

The public notice and comment requirements described above have traditionally applied to "major" facilities. The proposed amendments would expand this requirement to provide public notice and comment for all facilities, regardless of size, where a new source or modification to an existing source will result in a "significant" increase in emissions as defined in Section 2-2-227. (This is the same applicability threshold as for the NAAQS compliance demonstration required described above.) This revised requirement is contained in Section 2-2-404 in the proposed amendments.

Miscellaneous Minor Revisions

The proposed amendments also include several more minor changes. Some of these changes were requested by EPA Region IX staff to address deficiencies where the District's existing NSR program does not fully satisfy EPA requirements for NSR. For example, the proposed amendments expand the procedures for protecting visibility in Class I Areas to address non-attainment pollutants as well as attainment pollutants. Other changes are being made based on Staff's determination that they are needed to make the

District's permitting program work more effectively. For example, the proposed amendments remove the exemption for space heaters in Section 2-1-113.2.14. Please see the published drafts of the proposed amendments for all such changes.

* * * * *

The foregoing discussion is a summary of the changes that would be made under the proposed amendments. To understand these proposed amendments in more detail, please refer to the specific regulatory language of the proposed amendments that the District has publishing. Drafts of the proposed amendments can be found on the homepage for the Regulation 2 NSR and Title V updates on the District's website, at:

<u>www.baaqmd.gov/Divisions/Engineering/Proposed-Reg-2-Changes.aspx</u>. Copies are also available for public review at District headquarters at 939 Ellis Street, San Francisco, CA, 94109, and may also be obtained by calling or emailing Carol Lee at (415) 749-4689 or <u>clee@baaqmd.gov</u>.

CHAPTER 2

ENVIRONMENTAL CHECKLIST FORM

Introduction General Information Environmental Factors Potentially Affected Determination Environmental Checklist and Discussion

> Aesthetics Agriculture and Forestry Resources Air Quality **Biological Resources** Cultural Resources Geology/Soils Greenhouse Gas Emissions Hazards and Hazardous Materials Hydrology / Water Quality Land Use / Planning **Mineral Resources** Noise Population / Housing **Public Services** Recreation Transportation / Traffic Utilities / Service Systems Mandatory Findings of Significance

> > References

INTRODUCTION

The environmental checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. This checklist identifies and evaluates potential adverse environmental impacts that may be created by the proposed project.

GENERAL INFORMATION

Project Title:	Amendments to the Bay Area Air Quality Management District (BAAQMD) New Source Review and Title V Permitting Regulations: BAAQMD Regulation 2, Rule 1: General Requirements BAAQMD Regulation 2, Rule 2: New Source Review BAAQMD Regulation 2, Rule 4: Emissions Banking BAAQMD Regulation 2, Rule 6: Major Facility Review
Lead Agency Name:	Bay Area Air Quality Management District
Lead Agency Address:	939 Ellis Street San Francisco, California 94109
Contact Person:	Carol Lee
Contact Phone Number:	415-749-4689
Project Location:	These regulations apply to the area within the jurisdiction of the Bay Area Air Quality Management District, which encompasses all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties.
Project Sponsor's Name:	Bay Area Air Quality Management District
Project Sponsor's Address:	939 Ellis Street San Francisco, California 94109
General Plan Designation:	The proposed amendments apply to stationary sources of air pollution located in the Bay Area. Affected facilities would be located on sites that include a wide variety of General Plan designations such as commercial, industrial, manufacturing, residential, agricultural, and open space.
Zoning:	The proposed amendments are applicable throughout the District. Affected facilities would be located on sites that include a wide variety of zoning designations such as commercial, industrial, manufacturing, residential,
Description of Project:	See "Background and Project Description" in Chapter 1.
Surrounding Land Uses and Setting:	See "Affected Area" in Chapter 1.
Other Public Agencies Whose Approval is Required:	None

The following environmental impact areas have been assessed to determine their potential to be affected by the proposed project. As indicated by the checklist on the following pages, environmental topics marked with a " \checkmark " may be adversely affected by the proposed project. An explanation relative to the determination of impacts can be found following the checklist for each area.

	Aesthetics	Agriculture and Forestry Resources	V	Air Quality
	Biological Resources	Cultural Resources		Geology / Soils
V	Greenhouse Gas Emissions	Hazards & Hazardous Materials		Hydrology / Water Quality
	Land Use / Planning	Mineral Resources		Noise
	Population / Housing	Public Services		Recreation
	Transportation / Traffic	Utilities / Service Systems	Ø	Mandatory Findings of Significance

DETERMINATION

On the basis of this initial evaluation:

- □ I find the proposed project COULD NOT have a significant effect on the environment, and that a NEGATIVE DECLARATION will be prepared.
- □ I find that although the proposed project could have a significant effect on the environment, there will not be significant effects in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☑ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- □ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- □ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Jim Karas, P.E. Director of Engineering

6/12/12

Date

Initial Study

June 2012

Proposed Amendments to BAAQMD NSR and Title V Permitting Regulations

EVALUATION OF ENVIRONMENTAL IMPACTS:

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis.
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Negative Declaration: Less Than Significant with Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from "Earlier Analyses," as described in (5) below, may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, Program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063 (c)(3)(D). In this case, a brief discussion should identify the following:
 - a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.

- c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This checklist is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
- 9) The explanation of each issue should identify:
 - a) the significance criteria or threshold, if any, used to evaluate each question; and
 - b) the mitigation measure identified, if any, to reduce the impact to less than significance.

Potentially Less Than Less-than-No Impact Significant Significant Significant Impact Impact Impact With Mitigation Incorporated I. **AESTHETICS.** Would the project: Have a substantial adverse effect on a scenic vista? $\mathbf{\nabla}$ a) $\mathbf{\nabla}$ b) Substantially damage to scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings along a scenic highway? Substantially degrade the existing visual character $\mathbf{\nabla}$ c) or quality of the site and its surroundings? Create a new source of substantial light or glare $\mathbf{\Lambda}$ d) that would adversely affect daytime or nighttime views in the area?

ENVIRONMENTAL CHECKLIST AND DISCUSSION

AESTHETICS

Setting

The Air District jurisdiction covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties, and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles), so that land uses vary greatly and include commercial, industrial, residential, agricultural, and open space uses.

Much of the proposed amendments will apply to major sources of air pollutants (generally defined as facilities with the potential to emit 100 tons per year or more of a regulated air pollutant), which are typically located in industrial and commercial areas. Some of the proposed amendments will apply to smaller sources, which may be located in other areas. Some of the proposed amendments will apply to sources with the potential to emit as little as 10 pounds per day of certain pollutants, which could include relatively small industrial or commercial equipment that could be located anywhere throughout the Air District jurisdiction, including areas within or near scenic highways or corridors.

Regulatory Background

Visual resources are generally protected by the City and/or County General Plans through land use and zoning requirements.

Discussion of Impacts

I. a-d. The proposed amendments include revising the Air District's NSR Rules (Regulation 2-2) and Title V Rules (Regulation 2-6), as well as ancillary provisions in Regulation 2. The proposed amendments are described in more detail in Chapter 1, Section 1.4.4.

The major facilities that are the principal subject of these regulatory programs are primarily located in industrial and commercially zoned areas within the District. Accordingly, any additional requirements adopted under the proposed amendments would apply primarily to facilities within industrial/commercial areas, which are generally not located in areas with scenic resources or scenic vistas.

Furthermore, to the extent that there will also be facilities or equipment affected by the proposed amendments that may be located within or near an area with scenic resources or scenic vistas, none of the amendments are expected to require any significant additional construction or other alteration at any such facility. The District's NSR regulations do in some situations require pollution control equipment to be installed at facilities, but the proposed amendments are not expected to require any significant changes in any required pollution control equipment, compared to what is already required under the current regulations. Any pollution control equipment that will be required under the proposed amendments is likely to be of similar size, and located in similar areas, as what is currently required under the existing regulations. The Air District's current permitting regulations have not caused conflicts with the protection of visual resources, and it is not anticipated that the regulations as amended under the District's proposal would cause any such conflicts.

Moreover, even if the amendments were to require a change in the required pollution control equipment that is installed, any such changes are not expected to cause any additional impacts to any scenic resources or scenic vistas. Pollution control devices installed on industrial and commercial equipment do not generally change the overall visual nature or visual impact of such equipment,⁴ and so any new or different pollution control devices any significant impact on any scenic resources or scenic vistas, even if the equipment on which such devices are installed is located in or near an area with such resources.

⁴ This includes visual impacts from both construction and operation. Any visual impacts from construction and operation of the industrial or commercial equipment that requires the pollution control device, including any light and glare, and not expected to be significantly altered if a pollution control device also has to be constructed for the equipment and operated with the equipment.

For all of these reasons, the proposed amendments are not expected to have direct impacts on scenic vistas and would not substantially damage scenic resources or substantially degrade the existing visual character of quality of any specific site or its surroundings.

Conclusion

Based upon these considerations, no adverse aesthetic impacts are expected from the adoption of the proposed amendments to the Rules. Therefore, aesthetic impacts will not be further analyzed in the EIR.

 Potentially Significant	Less Than Significant	Significant	No Impact
Impact	Impact With	Impact	
Ĩ	Mitigation	I	
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II. AGRICULTURE and FOREST RESOURCES.

In determining whether impacts on agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

- a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?
- b) Conflict with existing zoning for agricultural use or conflict with a Williamson Act contract?
- c) Conflict with existing zoning for, or cause rezoning of, forest land as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?
- d) Result in the loss of forest land or conversion of forest land to non-forest use?
- e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?

AGRICULTURE and FOREST RESOURCES

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles), so that land uses vary greatly and include commercial, industrial, residential, agricultural, and open space uses.

Much of the proposed amendments will apply to major sources of air pollutants (generally defined as facilities with the potential to emit 100 tons per year or more of a regulated air pollutant), which are typically located in industrial and commercial areas. Some of the proposed amendments will apply to smaller sources, which may be located throughout the Bay Area. Agricultural resources may be located near some of the sources affected by the proposed amendments.

Regulatory Background

Agricultural and forest resources are generally protected by the City and/or County General Plans, Community Plans through land use and zoning requirements, as well as any applicable specific plans, ordinances, local coastal plans, and redevelopment plans.

Discussion of Impacts

II. a-e. The proposed amendments include revising the Air District's NSR Rules (Regulation 2-2) and Title V Rules (Regulation 2-6), as well as ancillary provisions in Regulation 2. The proposed amendments are described in more detail in Chapter 1, Section 1.4.4.

The major facilities that are the principal subject of these regulatory programs are primarily located in industrial and commercially zoned areas within the District. Accordingly, any additional requirements adopted under the proposed amendments would apply primarily to facilities within industrial/commercial areas, which are generally not located in areas with agricultural or forest resources.

Additionally, for any facility or equipment affected by the proposed amendments that may be located within or near an area with agricultural or forest resources, none of the amendments are expected to require any significant additional construction or other alteration at any such facility. In instances requiring pollution control equipment to be installed at facilities, the proposed amendments are not expected to require any significant changes in any required pollution control equipment compared to what is already required under current regulations. Any pollution control equipment that will be required under the proposed amendments is likely to be of similar size, and located in similar areas, as what is currently required under the existing regulations. If the amendments were to require a change in the required pollution control equipment that is installed, any such changes are not expected to cause any additional impacts to any agricultural or forest resource. Pollution control devices installed on industrial and commercial equipment do not generally change the overall land use designation or zoning of any agricultural or forest resource. Consequently, any new or different pollution control devices required as a result of the proposed amendments would not have any significant impact on the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use, even if the equipment on which such devices are installed is located in or near an area with such resources.

The proposed amendments are not expected to have direct impacts on agricultural or forest resources, and would not substantially impact or change land use designations or zoning in agricultural or forest areas.

Conclusion

Based upon these considerations, no adverse impacts on agricultural or forest resources are expected from the implementation of proposed amendments. Therefore, agricultural and forest resources impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
III	AIR QUALITY.				
app dist	en available, the significance criteria established by the licable air quality management or air pollution control rict may be relied upon to make the following erminations. Would the project:				
a)	Conflict with or obstruct implementation of the applicable air quality plan?				Ŋ
b)	Violate any air quality standard or contribute to an existing or projected air quality violation?				
c)	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is a non-attainment area for an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?	M			
d)	Expose sensitive receptors to substantial pollutant concentrations?	V			
e)	Create objectionable odors affecting a substantial number of people?				Ŋ

AIR QUALITY

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties, and portion of southwestern Solano and southern Sonoma Counties.

The summer climate of the West Coast is dominated by a semi-permanent high centered over the northeastern Pacific Ocean. Because this high pressure cell is quite persistent, storms rarely affect the California coast during the summer. Thus the conditions that persist along the coast of California during summer are a northwest air flow and negligible precipitation. A thermal low pressure area from the Sonoran-Mojave Desert also causes air to flow onshore over the San Francisco Bay Area much of the summer. In winter, the Pacific High weakens and shifts southward, upwelling ceases, and winter storms become frequent. Almost all of the Bay Area's annual precipitation takes place in the November through April period. During winter periods when the Pacific high becomes dominant, inversions become strong and often are surface based; winds are light and pollution potential is high. These periods are characterized by winds that flow out of the Central Valley into the Bay Area and often include tule fog.

A primary factor in air quality is the mixing depth, i.e., the vertical dimension available for dilution of contaminant sources near the ground. Over the Bay Area, the frequent occurrence of temperature inversions limits this mixing depth and consequently limits the availability of air for dilution. A temperature inversion may be described as a layer or layers of warmer air over cooler air.

The Bay Area is subject to a combination of physiographic and climatic factors which result in a low potential for pollutant buildups near the coast and a high potential in sheltered inland valleys. In summer, areas with high average maximum temperatures tend to be sheltered inland valleys with abundant sunshine and light winds. Areas with low average maximum temperatures are exposed to the prevailing ocean breeze and experience frequent fog or stratus. Locations with warm summer days have a higher pollution potential than the cooler locations along the coast and bays.

In winter, pollution potential is related to the nighttime minimum temperature. Low minimum temperatures are associated with strong radiation inversions in inland valleys that are protected from the moderating influences of the ocean and bays. Conversely, coastal locations experience higher average nighttime temperatures, weaker inversions, stronger breezes and consequently less air pollution potential.

Air quality conditions in the San Francisco Bay Area have improved since the District was created in 1955. Ambient concentrations of air pollutants and the number of days on which the region exceeds air quality standards have fallen dramatically. The District is in attainment of the State and federal ambient air quality standards for CO, NOx, and SO₂. The District is not considered to be in attainment with the federal and state ozone standards, and state PM_{10} and $PM_{2.5}$ standards.

Regulatory Background

The Clean Air Act (CAA) Amendments of 1990 give the U.S. EPA additional authority to require states to reduce emissions of ozone precursors and particulate matter in nonattainment areas. The amendments set attainment deadlines based on the severity of problems. At the state level, CARB has traditionally established state ambient air quality standards, maintained oversight authority in air quality planning, developed programs for reducing emissions from motor vehicles, developed air emission inventories, collected air quality and meteorological data, and approved state implementation plans. At a local level, California's air districts, including the BAAQMD, are responsible for overseeing stationary source emissions, approving permits, maintaining emission inventories, maintaining air quality stations, overseeing agricultural burning permits, and reviewing air quality-related sections of environmental documents required by CEQA.

Discussion of Impacts

III. a. The proposed amendments are not expected to conflict with or obstruct implementation of the applicable air quality plan. The 2010 Bay Area Clean Air Plan (CAP) was approved by the District's Board of Directors on September 15, 2010, and is the approved air quality plan that the District operates under. Stationary Source Measure (SSM) 16 – Revisions to Regulation 2, Rule 2 New Source Review was included as a control measure in the CAP. SSM 16 was proposed to address the District's anticipated non-attainment status of the 24-hour $PM_{2.5}$ NAAQS. By amending Regulation 2, Rule 2, the District proposes to implement one of the control measures adopted in the CAP. Therefore, adoption of the proposed amendments is expected to comply with and implementation portions of the CAP.

III. b, c, d. The proposed amendments include revising the Air District's NSR Rule (Regulation 2, Rule 2) and Title V Rule (Regulation 2, Rule 6), as well as ancillary provisions in Regulation 2, to: (i) incorporate new federal permitting requirements for $PM_{2.5}$ and GHGs; (ii) adopt a District PSD permitting program; and (iii) make other miscellaneous updates and revisions. (See Chapter 1, Section 1.4.4 for further discussion.) Rather than increase emissions of non-attainment pollutants, cause or contribute to air quality violations, or expose sensitive receptors to substantial pollutant concentrations, the proposed amendments will help the District with its efforts to reduce emissions of non-attainment pollutants (and other pollutants), to bring the region into compliance with all air quality standards, and to reduce pollutant exposures for sensitive receptors, as well as to address global climate change.

In particular, the proposed amendments focus on implementing permitting programs for PM_{2.5} and GHGs, two pollutants that have been the subject of increasing regulatory concern recently. The Bay Area has been designated as "non-attainment" of the federal 24-hour-average NAAQS for PM_{2.5}, and the proposed amendments to the District's NSR permitting program will help with the District's efforts to address that standard (as well as the District's ongoing efforts to address particulate matter concerns generally). In addition, the Bay Area, California, and the nation as a whole have committed to taking significant steps to reduce GHG emissions, adopting measures such as California's Global Warming Solutions Act of 2006 (also known as "AB 32") and EPA's GHG regulations for light duty cars and trucks. The proposed amendments will help the District implement those efforts by adopting a PSD permitting program that will include regulation of GHGs. These measures will benefit air quality in the Bay Area by helping to reduce emissions. Thus, the proposed amendments are not expected to directly cause any significant increase in emissions of air pollutants, or to directly result in any cumulatively considerable contribution to any cumulative air pollution concerns.

In some cases, the adoption of new, more stringent air quality regulations can have the potential to cause ancillary adverse environmental impacts where the revised regulations will require regulated facilities to change their operations in ways that would result in an increase in emissions in some way. For example, if an air quality regulation requires a

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facility to install an air pollution control device, installing or using such equipment could itself cause an increase in air pollution emissions. Such impacts are sometimes referred to as "secondary" emissions impacts. Such impacts can indirectly produce a result that has an adverse effect on the environment, even where the primary purpose of the regulation is to reduce emissions and improve air quality. The District strives to avoid or minimize the potential for such adverse impacts from its regulations. Accordingly, the District is preparing an EIR to evaluate and consider the potential for such impacts.

The EIR will evaluate whether the regulatory changes that would be made under the proposed amendments would have the potential to result in any significant adverse impacts on air quality. The changes that the proposed amendments would make to the District's existing regulations are shown in the drafts of the proposed amendments that have been published by District Staff, as described in more detail in Chapter 1, Section 1.4.4. The EIR will evaluate whether the changes to the existing regulatory baseline (as established by the District's existing regulatory programs and other agencies' existing regulations that apply to facilities in the Bay Area) would have the potential to cause any significant increase in air pollution emissions. In particular, the EIR will evaluate whether any new, revised or additional substantive requirements that will apply to affected facilities in the Bay Area could cause them to increase their emissions in any way. Such requirements could include additional requirements for affected facilities to add emissions control devices or to otherwise change their operations to comply with the proposed amendments. The EIR will evaluate what is required under current regulatory provisions applicable to affected facilities, what changes in regulatory requirements such facilities would be subject to under the proposed amendments, what substantive changes in their operations such facilities would need to make in order to comply with the proposed amendments, and whether there could be any significant increase in emissions that would result from such changes in operation. The District has not definitively identified any specific adverse impacts at this stage. But the potential for adverse air quality impacts needs to be given full and in-depth consideration before any conclusions can be drawn and before any regulatory amendments are adopted.

In addition, District Staff have engaged with public stakeholders in the development of the proposed amendments. During this process, members of the public have raised air quality concerns, including the following:

- Implementing the revisions to the NSR program could impose permitting burdens that would hinder environmentally beneficial energy-efficiency and other emissions reduction projects, resulting in delay or postponement of these projects.
- Implementing the revisions could result in impacts from what commenters characterized as a changed definition of emission offsets.
- Implementing the revisions could result in impacts from the regulation's offset provisions.

- Implementing the revisions could result in impacts from the adoption of a District PSD rule that would take over PSD permitting from the U.S. EPA.
- Implementing the revisions could result in what the commenters referred to as a "weakening of current rules."
- Implementing the revisions could result in impacts associated with additional exemptions.

The commenters did not provide any specific evidence to demonstrate that there will be significant adverse air quality impacts from the proposed amendments as a result of such concerns. However, the potential for adverse air quality impacts needs to be given full and in-depth consideration before any conclusions can be drawn, and before any regulatory amendments are adopted. Therefore, the potential for significant air quality impacts will be addressed in the EIR so that these points can be considered in detail.

III. e. None of the amendments are expected to require any significant additional construction or other alteration at any facility. In instances requiring pollution control equipment to be installed at facilities, the proposed amendments are not expected to require any significant changes in any required pollution control equipment compared to what is already required under current regulations. Any pollution control equipment that will be required under the proposed amendments is expected to be of similar size, and located in similar areas, as what is currently required under the existing regulations.

If the amendments were to require a change in the required pollution control equipment that is installed, any such changes are not expected to cause any additional odor impacts. Pollution control devices installed on industrial and commercial equipment do not typically generate odor impacts, but rather control emissions and potential odors. Consequently, any new or different pollution control devices required as a result of the proposed amendments are not expected to generate significant odor impacts.

The proposed amendments are not expected to result in an increase in odors.

Conclusion

Based upon these considerations, the potential for significant adverse air quality impacts associated with the proposed amendments will be evaluated in the EIR. The proposed amendments would have no adverse impacts on an air quality plan or odors and these issues will not be evaluated in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
IV.	BIOLOGICAL RESOURCES. Would the project:				
a)	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				
b)	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				
c)	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal wetlands, etc.) through direct removal, filling, hydrological interruption, or other means?				Ŋ
d)	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				
e)	Conflicting with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				V
f)	Conflict with the provisions of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan?				V

BIOLOGICAL RESOURCES

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles), so that land uses vary greatly and include commercial, industrial, residential, agricultural, and open space uses.

The areas affected by the proposed amendments are located in the Bay Area-Delta Bioregion (as defined by the State's Natural Communities Conservation Program). This Bioregion is comprised of a variety of natural communities, which range from salt marshes to chaparral to oak woodland. The areas affected by the proposed amendments are primarily located within existing industrial, commercial and other developed/urbanized areas within the Bay Area. The affected areas have been graded to develop various industrial and commercial operations. Native vegetation has generally been removed from these areas with the exception of landscaping vegetation.

Regulatory Background

Biological resources are generally protected by the City and/or County General Plans through land use and zoning requirements which minimize or prohibit development in biologically sensitive areas. Biological resources are also protected by the California Department of Fish and Game, and the U.S. Fish and Wildlife Service. The U.S Fish and Wildlife Service and National Marine Fisheries Service oversee the federal Endangered Species Act. Development permits may be required from one or both of these agencies if development would impact rare or endangered species. The California Department of Fish and Game administers the California Endangered Species Act which prohibits impacting endangered and threatened species. The U.S. Army Corps of Engineers and the U.S. EPA regulate the discharge of dredge or fill material into waters of the United States, including wetlands.

Discussion of Impacts

IV.a-f. The proposed amendments include revising the Air District's NSR Rules (Regulation 2-2) and Title V Rules (Regulation 2-6), as well as ancillary provisions in Regulation 2. The proposed amendments are described in more detail in Chapter 1, Section 1.4.4.

The major facilities that are the principal subject of these regulatory programs are primarily located in industrial and commercially zoned areas, as well as other urbanized/developed portions within the District. Accordingly, any additional requirements adopted under the proposed amendments would apply primarily to facilities within industrial/commercial, and other urbanized areas, which are generally not located in areas with sensitive biological resources. Additionally, none of the amendments are expected to require any significant additional construction or other alteration at any affected facility. The proposed amendments are not expected to require any significant changes in any required pollution control equipment compared to what is already required under current regulations. Any pollution control equipment that will be required under the proposed amendments is expected to be of similar size, and located in similar areas, as what is currently required. If the amendments were to require a change in the required pollution control equipment that is installed, any such changes are not expected to cause any additional impacts to biological resources. Pollution control devices installed on industrial and commercial equipment do not generally require additional land that would require a facility to expand its operations into adjacent biological resource areas. Such expansion and development is regulated by local General Plans. Consequently, any new or different pollution control devices required as a result of the proposed amendments would not have any significant impact on the existing environment which, due to its location or nature, could result in a conflict with local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance, or with the provisions of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan.

The proposed amendments are not expected to have direct or indirect impacts on biological resources, as no additional construction is expected to be required. Therefore, construction activities are not expected to impact biological resources.

Conclusion

Based upon these considerations, no adverse impacts on biological resources are expected from the implementation of proposed amendments. Therefore, biological resources impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
V.	CULTURAL RESOURCES. Would the project:				
a)	Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?				M
b)	Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?				V
c)	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				Ø
d)	Disturb any human remains, including those interred outside of formal cemeteries?				Ø

CULTURAL RESOURCES

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses vary greatly and include commercial, industrial, residential, agricultural and open space uses. Cultural resources are defined as buildings, sites, structures, or objects which might have historical architectural, archaeological, cultural, or scientific importance.

The Carquinez Strait represents the entry point for the Sacramento and San Joaquin Rivers into the San Francisco Bay. This locality lies within the San Francisco Bay and the west end of the Central Valley archaeological regions, both of which contain a rich array of prehistoric and historical cultural resources. The areas surrounding the Carquinez Strait and Suisun Bay have been occupied for millennia given their abundant combination of littoral and oak woodland resources.

The new equipment affected by the proposed amendments are primarily located within industrial, commercial and other developed/urbanized areas located in the Bay Area. These areas have already been graded to allow for industrial, commercial and other types of development.

Regulatory Background

The State CEQA Guidelines define a significant cultural resource as a "resource listed or eligible for listing on the California Register of Historical Resources." (Public Resources Code Section 5024.1.) A project would have a significant impact if it would cause a substantial adverse change in the significance of a historical resource. (State CEQA Guidelines Section 15064.5(b).) A substantial adverse change in the significance of a historical resource would result from an action that would demolish or adversely alter the physical characteristics of the historical resource that convey its historical significance and that qualify the resource for inclusion in the California Register of Historical Resources or a local register or survey that meets the requirements of Public Resources Code Sections 50020.1(k) and 5024.1(g).

Discussion of Impacts

V. $\mathbf{a} - \mathbf{d}$. No impacts on cultural resources are anticipated from the proposed amendments, which apply to equipment used primarily in industrial and commercial and other urbanized/developed environments. None of the amendments are expected to require any significant additional construction or other alteration at affected facilities. In instances where the District's regulations require pollution control equipment to be installed at facilities, the proposed amendments are not expected to require any significant changes in required pollution control equipment compared to what is already required under current regulations. Air pollution control equipment that will be required under the proposed amendments is expected to be of similar size, and located within in similar areas (generally within the confines of the existing facility), as what is currently required under the existing regulations.

If the amendments were to require a change in the required pollution control equipment that is installed, any such changes are not expected to cause additional impacts to any cultural resource or construction outside of the existing facility. Consequently, any new or different pollution control devices required as a result of the proposed amendments would occur within existing, developed areas and would not require construction outside of existing developed areas that could result in a conflict with any local policies or ordinances protecting cultural resources, such as destroying a unique paleontological resource, or site or unique geologic feature, or disturbing any human remains, including those interred outside of formal cemeteries

The proposed amendments are not expected to have direct or indirect impacts on cultural resources, as no additional construction is expected to be required. Therefore, construction activities are not expected to impact cultural resources.

Conclusion

Based upon these considerations, no significant adverse impacts to cultural resources are expected from the implementation of proposed amendments. Therefore, cultural resources impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
VI.	GEOLOGY / SOILS.				
	Would the project:				
a)	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i)	Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				Ŋ
ii)	Strong seismic ground shaking?				\checkmark
iii)	Seismic-related ground failure, including liquefaction?				V
iv)	Landslides?				V
b)	Result in substantial soil erosion or the loss of topsoil?				V
c)	Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in onsite or offsite landslide, lateral spreading, subsidence, liquefaction or collapse?				M
d)	Be located on expansive soil, as defined in Table 18- 1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				Ø
e)	Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems in areas where sewers are not available for the disposal of wastewater?				V

GEOLOGY / SOILS

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses vary greatly and include commercial, industrial, residential, agricultural, and open space uses. The facilities affected by the proposed amendments are primarily located in the commercial, industrial, and other developed/urbanized areas within the Bay Area.

The San Francisco Bay Area is a seismically active region, which is situated on a plate boundary marked by the San Andreas Fault System. Several northwest trending active and potentially active faults are included with this fault system. Under the Alquist-Priolo Earthquake Fault Zoning Act, Earthquake Fault Zones were established by the California Division of Mines and Geology along "active" faults, or faults along which surface rupture occurred in Holocene time (the last 11,000 years). In the Bay area, these faults include the San Andreas, Hayward, Rodgers Creek-Healdsburg, Concord-Green Valley, Greenville-Marsh Creek, Seal Cove/San Gregorio and West Napa faults. Other smaller faults in the region classified as potentially active include the Southampton and Franklin faults.

Ground movement intensity during an earthquake can vary depending on the overall magnitude, distance to the fault, focus of earthquake energy, and type of geological material. Areas that are underlain by bedrock tend to experience less ground shaking than those underlain by unconsolidated sediments such as artificial fill. Earthquake ground shaking may have secondary effects on certain foundation materials, including liquefaction, seismically induced settlement, and lateral spreading.

Regulatory Background

Construction is regulated by the local City or County building codes that provide requirements for construction, grading, excavations, use of fill, and foundation work including type of materials, design, procedures, etc., which are intended to limit the probability of occurrence and the severity of consequences from geological hazards. Necessary permits, plan checks, and inspections are generally required.

The City or County General Plan includes the Seismic Safety Element. The Element serves primarily to identify seismic hazards and their location in order that they may be taken into account in the planning of future development. The California Building Code is the principal mechanism for protection against and relief from the danger of earthquakes and related events.

In addition, the Seismic Hazard Zone Mapping Act (Public Resources Code §§2690 – 2699.6) was passed by the California legislature in 1990 following the Loma Prieta earthquake. The Act required that the California Division of Mines and Geology (DMG) develop maps that identify the areas of the state that require site specific investigation for Initial Study Page 2-23 June 2012

earthquake-triggered landslides and/or potential liquefaction prior to permitting most urban developments. The Act directs cities, counties, and state agencies to use the maps in their land use planning and permitting processes.

Local governments are responsible for implementing the requirements of the Seismic Hazards Mapping Act. The maps and guidelines are tools for local governments to use in establishing their land use management policies and in developing ordinances and review procedures that will reduce losses from ground failure during future earthquakes.

Discussion of Impacts

VI. a. No impacts involving geology are anticipated from the proposed amendments. The proposed amendments will not require the construction of any new structures; therefore, no new structures would be subject to earthquake fault rupture, seismic ground shaking or ground failure, or landslides. Since no new construction is required as a result of the proposed amendments, no significant impacts from seismic hazards are expected.

VI. b. No new construction activities would be required due to the adoption of the proposed amendments. Therefore, the proposed project is not expected to result in substantial soil erosion or the loss of topsoil as no major construction activities are expected to be required.

VI. c - e. The proposed amendments are not expected to require any major additional construction activities. Therefore, the proposed amendments will not involve construction of any structures on a geologic unit or soil that is unstable or that would become unstable, or potentially result in onsite or offsite landslide, lateral spreading, subsidence, liquefaction or collapse. Likewise, the proposed amendments will not involve construction of any structures on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property. Since no additional construction would be required, the proposed amendments would not affect soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems in areas where sewers are not available for the disposal of wastewater. Therefore, the proposed amendments are not expected to have any impacts on wastewater treatment/disposal systems.

Conclusion

Based upon these considerations, no adverse impacts to geology and soils are expected from the implementation of proposed amendments. Therefore, geology and soil impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
VII	GREENHOUSE GAS EMISSIONS.				
	Would the project:				
a)	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	Ø			
b)	Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	V			

GREENHOUSE GAS EMISSIONS

Setting

Global climate change refers to changes in average climatic conditions on the earth as a whole, including temperature, wind patterns, precipitation and storms. Global warming, a related concept, is the observed increase in the average temperature of the earth's surface and atmosphere. One identified cause of global warming is an increase of greenhouse gases (GHGs) in the atmosphere. The six major GHGs identified by the Kyoto Protocol are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs). GHGs absorb longwave radiant energy reflected by the earth, which warms the atmosphere. GHGs also radiate longwave radiation both upward to space and back down toward the surface of the earth. The downward part of this longwave radiation absorbed by the atmosphere is known as the "greenhouse effect." Some studies indicate that the potential effects of global climate change may include rising surface temperatures, loss in snow pack, sea level rise, more extreme heat days per year, and more drought years.

Events and activities such as the industrial revolution and the increased combustion of fossil fuels (e.g., gasoline, diesel, coal, etc.) have heavily contributed to the increase in atmospheric levels of GHGs. Approximately 80 percent of GHG emissions in California are from fossil fuel combustion and over 70 percent of GHG emissions are carbon dioxide emissions.

Regulatory Background

In response to growing scientific and political concern regarding global climate change, California has taken the initiative to address the state's greenhouse gas emissions. California has adopted the Global Warming Solutions Act of 2006, also known as AB 32, which requires the state to reduce its GHG emissions to 1990 levels by 2020. In addition, in 2005 Governor Schwarzenegger adopted Executive Order S-3-05, which commits to achieving an 80% reduction below 1990 levels by 2050. The California Air Resources Board has begun implementation of these mandates through adoption of regulatory requirements to reduce GHG emissions (among other agency implementation actions).

At the federal level, EPA has adopted GHG emissions limits for new light-duty cars and trucks. This regulation of mobile sources has in turn triggered NSR and Title V permitting requirements for stationary sources. (See Chapter 1, Section 1.4.3 for further discussion.) These requirements include using Best Available Control Technology to control emissions from major facilities. In addition, EPA is also in the process of adopting New Source Performance Standards for major GHG source categories.

Discussion of Impacts

VII. a, b. One of the primary purposes of the proposed amendments is to implement NSR and Title V GHG permitting requirements for stationary sources. These permitting programs are intended to help reduce emissions of GHGs from stationary sources. They are not expected to generate any new GHG emissions at any facility. Moreover, they are intended to help implement applicable plans, policies and regulations adopted to reduce GHG emissions, and so they are not expected to conflict with any such plans, policies or regulations.

With respect to the potential for secondary GHG emissions impacts from the proposed amendments that could have an adverse impact on GHGs and global climate change, these concerns are similar to the general secondary emissions impacts addressed in the air quality impacts discussion above. The District has not definitively identified any specific adverse impacts at this stage. The District is preparing an EIR to consider such issues in detail, however. This analysis will include the potential for secondary emissions of GHGs.

In addition, during the development of the proposed amendments, certain concerns were raised including the following:

- Implementing the revisions to the NSR program could impose permitting burdens that would hinder environmentally beneficial energy-efficient and other reduction projects, resulting in delay or postponement of these projects.
- Implementing the revisions could result in impacts from what commenters characterized as a changed definition of emission offsets.
- Implementing the revisions could result in impacts from the regulation's offset provisions.

- Implementing the revisions could result in impacts from the adoption of a District PSD rule that would take over PSD permitting from the U.S. EPA.
- Implementing the revisions could result in what the commenters referred to as a "weakening of current rules."
- Implementing the revisions could result in impacts associated with additional exemptions.

The commenters did not provide any specific evidence to demonstrate that there will be significant adverse air quality or GHG impacts from the proposed amendments. However, the potential for adverse air quality and GHG impacts needs to be given full and in-depth consideration before any regulatory amendments are adopted. Therefore, the potential for significant air quality and GHG impacts will be addressed in the EIR so that these points can be considered in detail.

Conclusion

Based upon these considerations, greenhouse gas and climate change impacts will be evaluated in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
VIII	I. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a)	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			V	
b)	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			V	
c)	Emit hazardous emissions or involve handling hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?			V	
d)	Be located on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, be within two miles of a public airport or public use airport, and result in a safety hazard for people residing or working in the project area?				
f)	For a project within the vicinity of a private airstrip and result in a safety hazard for people residing or working in the project area?				V
g)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				
h)	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				V

HAZARDS AND HAZARDOUS MATERIALS

Setting

Certain industrial and commercial operations handle, process, and transport hazardous material. Hazardous materials at these facilities are monitored and controlled under regulations designed to control hazards associated with those operations. For all affected facilities, risks to the public are reduced if there is a buffer zone between industrial processes and residences or other sensitive land uses, or the prevailing wind blows away from residential areas and other sensitive land uses. The risks posed by operations at each facility are unique and determined by a variety of factors.

Regulatory Background

There are many federal and state rules and regulations that facilities handling hazardous materials must comply with, which serve to minimize the potential impacts associated with hazards at these facilities.

Under the Occupational Safety and Health Administration (OSHA) regulations [29 Code of Federal Regulations (CFR) Part 1910], facilities which use, store, manufacture, handle, process, or move highly hazardous materials must prepare a fire prevention plan. In addition, 29 CFR Part 1910.119, Process Safety Management (PSM) of Highly Hazardous Chemicals, and Title 8 of the California Code of Regulations, General Industry Safety Order §5189, specify required prevention program elements to protect workers at facilities that handle toxic, flammable, reactive, or explosive materials.

Affected facilities that store materials are required to have a Spill Prevention Control and Countermeasures (SPCC) Plan per the requirements of 40 Code of Federal Regulations, Section 112. The SPCC is designed to prevent spills from on-site facilities and includes requirements for secondary containment, provides emergency response procedures, establishes training requirements, and so forth.

The Hazardous Materials Transportation (HMT) Act is the federal legislation that regulates transportation of hazardous materials. The primary regulatory authorities are the U.S. Department of Transportation, the Federal Highway Administration, and the Federal Railroad Administration. The HMT Act requires that carriers report accidental releases of hazardous materials to the Department of Transportation at the earliest practical moment (49 CFR Subchapter C). The California Department of Transportation (Caltrans) sets standards for trucks in California. The regulations are enforced by the California Highway Patrol.

California Assembly Bill 2185 requires local agencies to regulate the storage and handling of hazardous materials and requires development of a business plan to mitigate the release of hazardous materials. Businesses that handle any of the specified hazardous materials must submit to government agencies (i.e., fire departments), an inventory of the hazardous materials, an emergency response plan, and an employee training program. The information in the business plan can then be used in the event of an emergency to Initial Study Page 2-29 June 2012

determine the appropriate response action, the need for public notification, and the need for evacuation.

Discussion of Impacts

VIII. a - c. The proposed amendments are not expected to require any significant changes in the way any affected facility uses, transports or disposes of hazardous materials, or in the risk of release of any such materials into the environment. The primary purpose of the District's permitting programs that are the subject of the proposed amendments is to help reduce air pollution, which does not implicate the use or release of hazardous materials. These permitting programs do require the installation and use of pollution control equipment at affected facilities, but the proposed amendments are not expected to require any significant changes in any required pollution control equipment compared to what is already required under current regulations. Any pollution control equipment that will be required under the proposed amendments is expected to be of similar size, and located in similar areas, as what is currently required. To the extent that any such equipment involves the use of hazardous materials, the proposed amendments will not significantly affect the extent or nature of such use, or any transport, disposal, or risk of release associated with such use. Therefore, the proposed amendments will not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. Further, the proposed amendments will not create a significant increase in hazards to the public due to an upset or accident involving the release of hazardous materials into the environment.

For the same reasons, the proposed amendments are not expected to increase hazardous emissions or handling of hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school. Some facilities subject to the District's permitting programs may be located within one quarter mile of a school, but the proposed amendments will not result in any significant change in any handling of hazardous materials, substances or wastes at such facilities, or in any hazardous emissions from such facilities. Furthermore, to the extent that the proposed amendments will affect any facilities located within a quarter mile of a school, any modifications to any such facilities will be subject to the District's stringent permitting requirements for Toxic Air Contaminants in District Regulation 2, Rule 5. Regulation 2, Rule 5 applies stringent preconstruction permit review requirements to new and modified sources of toxic air contaminants. It imposes health risk limits and requires the use of Toxics Best Available Control Technology under certain circumstances. New or modified facilities seeking permits to operate would fall under the requirements of Regulation 2, Rule 5. Compliance with Regulation 2, Rule 5 is expected to minimize any potential increase of toxic air contaminants on existing or proposed schools to a less-than-significant level.

Therefore, the proposed amendments are not expected to generate significant adverse hazards impacts, as they are not expected to significantly change the existing nature or extent of the transport, use, handling, creation, disposal, or emissions of any hazardous material.

VIII. d. No impacts on hazardous material sites are anticipated from the proposed amendments. Facilities that are subject to the District's NSR and Title V permitting programs are located all over the Bay Area, and some may be located on a hazardous materials site listed pursuant to Government Code Section 65962.5. However, the proposed amendments would have no effect on hazardous materials nor would the proposed amendments create a significant hazard to the public or environment. The construction of additional structures is not expected to be required, so there will not be any construction activities that would impact hazardous waste sites. The proposed amendments neither require, nor are likely to result in, activities that would affect hazardous materials or existing site contamination. Therefore, no adverse impacts at hazardous materials sites are expected.

VIII. $\mathbf{e} - \mathbf{f}$. No impacts on airports or airport land use plans are anticipated from the adoption of the proposed amendments. The construction of additional structures is not expected to be required, so construction activities are not expected to impact airport land use plans or increase hazards near air strips. Any changes to air pollution control equipment are expected to be made within the confines of existing developed areas. No new development outside of existing industrial or commercial operations is expected to be required as a result of the proposed amendments. Therefore, no adverse impacts on an airport land use plan or on a private air strip are expected.

VIII. g. No impacts on emergency response plans are anticipated from the proposed amendments. The construction of additional equipment is not expected to be required, so construction activities are not expected to impair or interfere with an emergency response plan. Facilities affected by the proposed amendments are generally located within existing developed areas, and construction activities outside of these areas are not expected to be required. The proposed amendments neither require, nor are likely to result in, activities that would impact any emergency response plan; therefore, no adverse impacts on emergency response plans are expected.

VIII. h. No increase in hazards related to wildfires is anticipated from the proposed amendments. The construction of additional structures is not expected to be required, so construction activities are not expected to increase fire risks in wildland areas adjacent to urbanized areas. The proposed amendments are not expected to increase the use any flammable materials. Native vegetation has generally been removed from industrial, commercial, and other urbanized/developed areas with the exception of some landscape vegetation. Therefore, no increase in exposure to wildfires will occur due to the proposed amendments.

Conclusion

Based upon these considerations, no significant adverse hazards and hazardous materials impacts are expected from the adoption proposed amendments. Therefore, hazards and hazardous material impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
IX.	HYDROLOGY / WATER QUALITY.				
	Would the project:				
a)	Violate any water quality standards or waste discharge requirements?				V
b)	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g. the production rate of pre-existing nearby wells would drop to a level that would not support existing land uses or planned uses for which permits have been granted)?				V
c)	Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation onsite or offsite?				Ŋ
d)	Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding onsite or offsite?				V
e)	Create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?				V
f)	Otherwise substantially degrade water quality?				\checkmark
g)	Place housing within a 100-year flood hazard area, as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				V
h)	Place within a 100-year flood hazard area structures that would impede or redirect flood flows?				V
i)	Expose people or structures to a significant risk of loss, injury or death involving flooding, including				Ø
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	flooding as a result of the failure of a levee or dam?			
j)	Inundation by seiche, tsunami, or mudflow?			

HYDROLOGY / WATER QUALITY

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties, and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses and affected environment vary substantially throughout the area and include commercial, industrial, residential, agricultural, and open space uses.

The urbanized areas affected by the proposed amendments are located throughout the District. Reservoirs and drainage streams are located throughout the area and discharge into the Bays. Marshlands incised with numerous winding tidal channels containing brackish water are located throughout the Bay Area.

The affected areas are located within the San Francisco Bay Area Hydrologic Basin. The primary regional groundwater water-bearing formations include the recent and Pleistocene (up to two million years old) alluvial deposits and the Pleistocene Huichica formation. Salinity within the unconfined alluvium appears to increase with depth to at least 300 feet. Water of the Huichica formation tends to be soft and relatively high in bicarbonate, although usable for domestic and irrigation needs.

Regulatory Background

The Federal Clean Water Act of 1972 primarily establishes regulations for pollutant discharges into surface waters in order to protect and maintain the quality and integrity of the nation's waters. This Act requires industries that discharge wastewater to municipal sewer systems to meet pretreatment standards. The 1987 amendments to the Clean Water Act enabled the U.S. EPA to regulate, under the National Pollutant Discharge Elimination System (NPDES) program, discharges from industries and large municipal sewer systems. The State of California, through the State Water Resources Control Board (SWRCB), has authority to issue NPDES permits, which meet U.S. EPA requirements, to specified industries.

In response to the Federal Act, the State Water Resources Control Board prepared two state-wide plans in 1991 and 1995 that address storm water runoff: the California Inland Surface Waters Plan and the California Enclosed Bays and Estuaries Plan, which have been updated in 2005 as the Policy for Implementation of Toxics Standards for Inland Surface Waters, Enclosed Bays, and Estuaries of California. The San Francisco Bay Basin Plan identifies the: (1) beneficial water uses that need to be protected; (2) the

water quality objectives needed to protect the designated beneficial water uses; and (3) strategies and time schedules for achieving the water quality objectives.

Discussion of Impacts

IX. a, b, f. The existing NSR and Title V regulations require affected facilities to install pollution control equipment where applicable. However, the proposed amendments are not expected to require significant changes in required pollution control equipment compared to what is already required under the current regulations. Any pollution control equipment that will be required under the proposed amendments is expected to be of similar size, and located in similar areas, as what is currently required under the existing regulations. There is not expected to be any change in the water use or wastewater generation at any facilities as a result of these proposed amendments. Therefore, the proposed amendments are not expected to result in water quality impacts or to deplete groundwater supplies.

IX. $\mathbf{c} - \mathbf{e}$ The proposed amendments are not expected to require the construction of additional structures. Therefore, no new development outside of existing industrial, commercial, or other developed/urbanized areas is expected to be required, and no increase in paved areas is expected. Therefore, the proposed amendments are not expected to substantially alter existing drainage or drainage patterns, result in erosion or siltation, alter the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding onsite or offsite. Nor would the proposed amendments create or contribute additional runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. The proposed amendments are not expected to substantially degrade water quality. Therefore, no adverse impacts involving storm water runoff are expected.

IX. $\mathbf{g} - \mathbf{i}$. The facilities affected by the proposed amendments are primarily located within industrial, commercial, and other developed/urbanized areas. No major construction activities are expected due to the adoption of the proposed amendments. The proposed amendments would not result in the construction of any housing or place houses within a 100-year flood plain. The proposed amendments are not expected to require any substantial construction activities, place any additional structures within 100-year flood zones, or other areas subject to flooding. Therefore, no adverse impacts due to flooding are expected.

IX. j. The operations affected by the proposed amendments are primarily located within industrial, commercial, and other developed/urbanized areas. No major construction activities are expected due to the adoption of the proposed amendments. The proposed amendments are not expected to place any additional structures within areas subject to inundation by seiche, tsunami or mudflow. Therefore, no adverse impacts on hydrology/water due to seiche, tsunami or mudflow are expected.

Conclusions

Based upon these considerations, no adverse hydrology and water quality impacts are expected from the implementation of the proposed amendments. Therefore, hydrology and water quality impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
X.	LAND USE / PLANNING. Would the project:				
a)	Physically divide an established community?				\checkmark
b)	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to a general plan, specific plan, local coastal program or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				M
c)	Conflict with any applicable habitat conservation plan or natural community conservation plan?				Ŋ

LAND USE / PLANNING

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses vary greatly and include commercial, industrial, residential, agricultural, and open space uses. The facilities affected by the proposed amendments are primarily located in developed and urbanized areas throughout the Bay Area.

Regulatory Background

Land uses are generally protected and regulated by the City and/or County General Plans through land use and zoning requirements.

Discussion of Impacts

X. a-c. Facilities affected by the proposed amendments are primarily located within existing developed and urbanized portions of the Bay Area. The proposed amendments are not expected to require the construction of any new structures. Therefore, no changes to current development (e.g., existing facilities) is expected to be required. Furthermore, no changes to future development patterns are expected to occur as a result of the proposed amendments. To the extent that new facilities may be built that are subject to the District's permitting regulations, or that existing facilities may be modified, the

proposed amendments would not require any changes to such future development that would impact any established community, would implicate any land use plans, policies or regulations, or would implicate any habitat conservation plan or natural community conservation plan. For all of these reasons, no land use impacts are expected as a result of the proposed amendments.

Conclusion

Based upon these considerations, no adverse land use impacts are expected from the adoption of the proposed amendments. Therefore, land use impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XI.	MINERAL RESOURCES. Would the project:				
a)	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				Ø
b)	Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				

MINERAL RESOURCES

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses and the affected environment vary greatly throughout the area. The operations affected by the proposed amendments are primarily located in industrial, commercial and other developed/urbanized areas within the Bay Area.

Regulatory Background

Mineral resources are generally protected and regulated by the City and/or County General Plans through land use and zoning requirements.

Discussion of Impacts

XI. a-b. The existing NSR and Title V regulations require affected facilities to install pollution control equipment where applicable. However, the proposed amendments are not expected to require significant changes in required pollution control equipment compared to what is already required under the current regulations. Any pollution control equipment that will be required under the proposed amendments is expected to be of similar size, and located in similar areas, as what is currently required under the existing regulations. Therefore, the proposed amendments are not expected to require any significant additional construction of air pollution control equipment or require any other substantial construction activities. The proposed amendments would therefore not result in the loss of any known mineral resources.

Conclusion

Based upon these considerations, mineral resource impacts are not expected from the adoption of the proposed amendments. Therefore, mineral resource impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XII.	NOISE. Would the project:				
a)	Expose persons to or generate noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				V
b)	Expose persons to or generate of excessive groundborne vibration or groundborne noise levels?				Ø
c)	Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				V
d)	A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				V
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				
f)	For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				V

NOISE

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses and the affected environment vary greatly throughout the area. The facilities affected by the proposed amendments are primarily located in industrial, commercial and other urbanized/developed areas of the Bay Area. Numerous noise sources are present in the urbanized environment including mobile sources such as vehicles, trucks,

construction equipment, motorcycles, locomotives, and air planes, as well as stationary sources, such as industrial equipment.

Regulatory Background

Noise issues related to construction and operation activities are addressed in local General Plan policies and local noise ordinance standards. The General Plans and noise ordinances generally establish allowable noise limits within different land uses including residential areas, other sensitive use areas (e.g., schools, churches, hospitals, and libraries), commercial areas, and industrial areas.

Discussion of Impacts

XII. a-d. The major facilities that are the principal subject of these regulatory programs are primarily located in industrial and commercially zoned areas within the District. Accordingly, any additional requirements adopted under the proposed amendments would apply primarily to facilities within industrial/commercial areas, which are generally not located in noise-sensitive areas (e.g., within or adjacent to residential areas, schools, hospitals, etc.).

Furthermore, to the extent that there could be any facility or equipment affected by the proposed amendments that may be located within or near noise sensitive areas, none of the amendments are expected to require any substantial additional construction or other alteration. Existing regulations do in some situations require pollution control equipment to be installed at facilities, but the proposed amendments are not expected to require significant changes in any required pollution control equipment compared to what is already required under the current regulations. Any air pollution control equipment that will be required under the proposed amendments is expected to be of similar size, and located in similar areas, as what is currently required under the existing regulations. No new construction is expected to be required as a result of adopting proposed amendments. Since no construction activities are expected and no new equipment is expected to be constructed, no additional noise or vibration sources are expected to be added as a result of the proposed amendments. Moreover, even if additional pollution control equipment were to be required at any facility, such equipment does not normally make any change in any noise associated with the industrial or commercial equipment on which it is installed. Thus, to the extent that industrial or commercial equipment subject to the proposed amendments creates noise, the proposed amendments will not cause any noise impacts by creating additional noise at such locations.

The proposed amendments would not increase ambient noise levels from stationary sources, either intermittently or permanently. Therefore, there are not expected to be any noise impacts associated with the proposed amendments.

XII. e-f. The proposed amendments will not result in any changes to the amount of noise any people are exposed to residing or working at any location. The proposed amendments will not require any changes to any existing or potential future facilities regarding the amount of noise generated by such facilities or the amount of noise that

people working at such facilities will be exposed to. Most of the facilities affected by the proposed amendments are industrial and commercial facilities that do not have residents. Workers at such facilities by applicable OSHA or Cal/OSHA workplace noise reduction requirements. Moreover, all sensitive noise receptors, both residential and workplace-related, will be protected by applicable local noise ordinances. This situation applies for all areas that may be affected by the proposed amendments throughout the Bay Area, including areas near airports or airstrips as well as all other areas.

Conclusion

Based upon these considerations, significant noise impacts are not expected from the adoption of the proposed amendments. Therefore, noise impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact with Mitigation Incorporated	Less Than Significant Impact	No Impact
XIII	. POPULATION / HOUSING. Would the project:				
a)	Induce substantial population growth in an area either directly (e.g., by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?				
b)	Displace a substantial number of existing housing units, necessitating the construction of replacement housing elsewhere?				
c)	Displace a substantial number of people, necessitating the construction of replacement housing elsewhere?				

POPULATION / HOUSING

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses and the affected environment vary greatly throughout the area. The areas affected by the proposed project are located throughout the area within the jurisdiction of the BAAQMD.

Regulatory Background

Population and housing growth and resources are generally protected and regulated by the City and/or County General Plans through land use and zoning requirements.

Discussion of Impacts

XIII. a. No significant construction activities are expected to be required because of the proposed amendments, and no additional employees would be needed at affected facilities. Thus, relocation of individuals, requirements for new housing or commercial facilities, or changes to the distribution of the population are not anticipated. Human population within the jurisdiction of the District is anticipated to grow regardless of implementing the proposed amendments. The proposed amendments will not have any impact on these development patterns. As a result, the proposed amendments are not

anticipated to generate any adverse effects, either direct or indirect, on population growth in the district or population distribution.

XIII. b-c. No construction activities are expected to be required because of the proposed amendments. Therefore, no construction activities that could displace a substantial number of people of housing units would be expected. The proposed amendments are not expected to result in the creation of any industry that would affect population growth, directly or indirectly induce the construction of single- or multiple-family units, or require the displacement of people or housing elsewhere in the Bay Area.

Conclusions

Based upon these considerations, no impacts to population and housing are expected from the adoption of proposed amendments. Therefore, population and housing impacts will not be further analyzed in the EIR.

XIII. PUBLIC SERVICES. Would the project:	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or a need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the following public services:				
Fire protection? Police protection? Schools? Parks? Other public facilities?				র র র র র

PUBLIC SERVICES

Setting

The District covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties, and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that land uses and the affected environment vary greatly throughout the area. The areas affected by the proposed project are primarily located in industrial, commercial and other urbanized/developed areas throughout the Bay Area.

Given the large area covered by the District, public services are provided by a wide variety of local agencies. Fire protection and police protection/law enforcement services within the District are provided by various districts, organizations, and agencies. There are several school districts, private schools, and park departments within the Bay Area. Public facilities within the District's jurisdiction are managed by different county, city, and special-use districts.

Regulatory Background

City and/or County General Plans usually contain goals and policies to assure adequate public services are maintained within the local jurisdiction.

Discussion of Impacts

XIII. a. Implementation of the proposed amendments is not expected to require any changes in operations at affected facilities in any way that would affect police or fire protection, schools, parks, or other public facilities.

The facilities that are the principal subject of these regulatory programs are primarily located in industrial, commercial, and other developed/urbanized areas within the District with existing fire and police services. In the event of an accident, fire departments are typically first responders for control and clean-up, and police may need to be available to maintain perimeter boundaries. The proposed amendments will not require any affected facilities to change their operations in any way that would require existing fire and police responders to change the way they respond in such situations, or to increase the demand for additional emergency response services.

As noted in the "Population and Housing" discussion above, the proposed amendments are not expected to induce population growth in any way, because no major construction activities are anticipated at affected facilities, and change in operations that would generate additional employees would be required. Therefore, there will be no increase in local population and thus no increases are expected in the need for or use of local schools, parks, or any other public services (e.g., local government services) above current levels.

Conclusion

Based upon these considerations, no public services impacts are expected from the adoption of proposed amendments. Therefore, public services impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XV.	RECREATION. Would the project:				
a)	Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				V
b)	Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?				V

RECREATION

Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano and southern Sonoma Counties. The area of coverage is vast (about 5,600 square miles) so that there are numerous areas for recreational activities. The facilities affected by the proposed amendments are primarily located in industrial, commercial, and other urbanize/developed areas throughout the Bay Area. Public recreational land can be located adjacent to, or in reasonable proximity to these areas.

Regulatory Background

Recreational areas are generally protected and regulated by the City and/or County General Plans at the local level through land use and zoning requirements. Some parks and recreation areas are designated and protected by state and federal regulations.

Discussion of Impacts

XV. a-b. As discussed under "Land Use" above, there are no provisions of the proposed amendments that would affect land use plans, policies, or regulations. Land use and other planning considerations are determined by local governments; no land use or planning requirements will be altered by the proposed amendments. The proposed amendments are not expected to require the construction of additional structures, so no changes in land use would be required. Further, the proposed amendments would not increase population growth and would not impact existing neighborhood and regional parks or other recreational facilities, or require the construction or expansion of Initial Study $\frac{Page 2-47}{June 2012}$

recreational facilities that might have an adverse physical effect on the environment. Therefore, no significant adverse impacts on recreation are expected.

Conclusion

Based upon these considerations, no recreation impacts are expected from the adoption of proposed amendments. Therefore, recreation impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XVI	. TRANSPORTATION / TRAFFIC. Would the project:				
a)	Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				Ø
b)	Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?				Ø
c)	Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				V
d)	Substantially increase hazards because of a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?				V
e)	Result in inadequate emergency access?				\checkmark
f)	Conflict with adopted policies, plans or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				Ŋ

TRANSPORTATION / TRAFFIC

Setting

Transportation systems located within the Bay Area include railroads, airports, waterways, and highways. The Port of Oakland and three international airports in the area serve as hubs for commerce and transportation. The transportation infrastructure for vehicles and trucks in the Bay Area ranges from single lane roadways to multilane interstate highways. The Bay Area contains over 19,600 miles of local streets and roads, and over 1,400 miles of state highways. In addition, there are over 9,040 transit route miles of services including rapid rail, light rail, commuter, diesel and electric buses, cable cars, and ferries. The Bay Area also has an extensive local system of bicycle routes and pedestrian paths and sidewalks.

The region is served by numerous interstate and U.S. freeways. On the west side of San Francisco Bay, Interstate 280 and U.S. 101 run north-south. U.S. 101 continues north of San Francisco into Marin County. Interstates 880 and 660 run north-south on the east side of the Bay. Interstate 80 starts in San Francisco, crosses the Bay Bridge, and runs northeast toward Sacramento. Interstate 80 is a six-lane north-south freeway which connects Contra Costa County to Solano County via the Carquinez Bridge. State Routes 29 and 84, both highways that allow at-grade crossings in certain parts of the region, become freeways that run east-west, and cross the Bay. Interstate 80, runs through Oakland, and then runs eastward toward Livermore. From the Benicia-Martinez Bridge, Interstate 680 extends north to Interstate 80 in Cordelia. Caltrans constructed a second freeway bridge adjacent and east of the existing Benicia-Martinez Bridge. The new bridge consists of five northbound traffic lanes. The existing bridge was re-striped to accommodate four lanes for southbound traffic. Interstate 780 is a four lane, east-west freeway extending from the Benicia-Martinez Bridge west to I-80 in Vallejo.

Regulatory Background

Transportation planning is usually conducted at the state and county level. Planning for interstate highways is generally done by the California Department of Transportation.

Most local counties maintain a transportation agency that has the duties of transportation planning and administration of improvement projects within the county and implements the Transportation Improvement and Growth Management Program, and the congestion management plans (CMPs). The CMP identifies a system of state highways and regionally significant principal arterials and specifies level of service standards for those roadways.

Discussion of Impacts

XVI. a-b. The proposed amendments will not require any new major construction activities at affected facilities, or require any additional employees. Therefore, there will not be any increase in traffic associated with the proposed amendments, and the proposed

amendments will not cause or contribute to any degradation in the current level of service at any intersection. The workforce at each affected facility is not expected to increase as a result of the proposed amendments, and no increase in traffic is expected. Thus, no traffic impacts are expected due to the proposed amendments.

XVI. c. The proposed amendments are not expected to result in any change in air traffic patterns. Although some affected facilities may be located near airports or beneath flight paths, the proposed amendments will not require any changes at such facilities that would affect air traffic. The proposed amendments will therefore not cause any substantial safety risks associated with air traffic patterns.

XVI. d - **e**. The proposed amendments will not change the design of any roadway or result in incompatible uses. The proposed amendments are not expected to increase traffic, alter any circulation patterns, or create impacts on the traffic circulation system. The proposed amendments do not involve construction of any roadways, so there would be no change in a roadway design feature that could increase traffic hazards. Emergency access would not be impacted by the proposed amendments, as no change in traffic, access, or circulation is required.

XVI. f. Operational activities resulting from the proposed amendments are not expected to conflict with policies supporting alternative transportation since the proposed amendments will involve not construction activities that could affect alternative transportation modes (e.g. bicycles or buses).

Conclusion

Based upon these considerations, transportation/traffic impacts are not expected from the adoption of proposed amendments. Therefore, transportation/traffic impacts will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XVI proj	I. UTILITIES / SERVICE SYSTEMS. Would the ect:				
a)	Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				V
b)	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				V
c)	Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				Ø
d)	Have sufficient water supplies available to serve the project from existing entitlements and resources, or would new or expanded entitlements needed?				V
e)	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				
f)	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				Ø
g)	Comply with federal, state, and local statutes and regulations related to solid waste?				\square

UTILITIES / SERVICE SYSTEMS

Setting

Given the large area covered by the BAAQMD, public utilities are provided by a wide variety of local agencies. Water is supplied to affected facilities by several water

purveyors in the Bay Area. Solid waste is handled through a variety of municipalities, through recycling activities, and at disposal sites.

Regulatory Background

City and/or County General Plans usually contain goals and policies to assure adequate utilities and service systems are maintained within the local jurisdiction.

Discussion of Impacts

XVII. a, b, d and e. The facilities subject to the District's NSR and Title V permitting programs are primarily located in industrial, commercial, and other developed/urbanized areas within the District, where water and wastewater services already existing. The proposed amendments are not expected to change any water use requirements or wastewater disposal needs at any affected facilities. Affected facilities will continue to use the same water supply resources and the same wastewater treatment facilities as under the current regulations. Therefore, no impacts on wastewater treatment requirements or wastewater treatment facilities are expected.

XVII. c. The proposed amendments will not require the construction of any new structures or any major changes to existing structures at existing facilities. They will not result in an increase in paved surfaces. The proposed amendments would not alter existing drainage or require the construction of new storm water drainage facilities. Nor are the proposed amendments expected to create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff. Therefore, no adverse impacts on storm drainage facilities are expected.

XVII. f and g. The proposed amendments would not affect the ability of facilities to comply with federal, state, and local statutes and regulations related to solid waste. No impacts on waste generation are expected from the proposed amendments. The proposed amendments would not generate any additional hazardous materials or hazardous waste, so no impacts to hazardous waste disposal facilities are expected due to the proposed amendments. All operations are expected to continue to comply with all applicable federal, state, and local statutes and regulations related to solid and hazardous wastes.

Conclusion

Based upon these considerations, no impacts to utilities and service systems are expected from the adoption of proposed amendments. Therefore, impacts to utilities and service systems will not be further analyzed in the EIR.

		Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XVI	II. MANDATORY FINDINGS OF SIGNIFICANCE.				
a)	Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?				I
b)	Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)				
c)	Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?	M			

MANDATORY FINDINGS OF SIGNIFICANCE

Discussion of Impacts

XVIII. a. The proposed amendments do not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory, as discussed in the previous sections of the CEQA checklist. The proposed amendments will allow the District to implement certain air quality regulations currently regulated by the U.S. EPA, among other improvements.

The major facilities that are the principal subject of these regulatory programs are primarily located in industrial and commercially zoned areas, as well as other urbanized/developed portions within the District that have already been developed and graded. Accordingly, any additional requirements adopted under the proposed amendments would apply primarily to facilities within industrial/commercial, and other urbanized areas, which are generally not located in areas with sensitive biological or cultural resources. As discussed in Section IV, Biological Resources and Section V, Cultural Resources, no significant adverse impacts are expected to biological or cultural resources.

Additionally, none of the amendments are expected to require any significant additional construction or other alteration at any affected facility. The proposed amendments are not expected to require any significant changes in any required pollution control equipment compared to what is already required under current regulations. Consequently, the proposed amendments are not expected to have a significant impact on the existing environment which, due to its location or nature, could result in significant impacts on biological or cultural resources.

XVIII. b-c. As explained in the discussions of potential Air Quality and GHG impacts above, the District is preparing an EIR to address the potential for significant impacts in these areas. By definition, such impacts are primarily cumulative in nature. In most cases the problems associated with degraded air quality and global climate change are not caused by any single project in isolation, but are the result of many past, present and future projects emitting air pollutants (including GHGs, among others) that combine in the atmosphere to cause the environmental impacts associated with these problems. Given the information addressed in the Air Quality and GHG impacts discussions above, and in particular public comments that have been received expressing concerns in these areas, detailed evaluation of these issues in an EIR is warranted. The EIR will evaluate whether the proposed amendments could cause any incremental contribution to any such cumulative impacts that is cumulatively considerable. Furthermore, air quality impacts and GHG impacts clearly have the potential to have substantial adverse impacts on human beings, both directly and indirectly. The EIR will evaluate whether the proposed amendments for such adverse impacts.

References

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BAAQMD, 2010. 2010 Clean Air Plan, September, 2010.

BAAQMD, 2012. BAAQMD Workshop Report, Proposed Amendments to BAAQMD Regulation 2, Rule 1 - General Requirements; Regulation 2, Rule 2 -New Source Review; Regulation 2, Rule 4 - Emissions Banking; and Regulation 2, Rule 6 – Major Facility Review.

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