

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

California Environmental Quality Act

Initial Study and Proposed Negative Declaration

Proposed Technical and Administrative Amendments to New Source Review and Title V Permitting Rules

Regulation 2, Rule 1 (Permits – General Requirements)

Regulation 2, Rule 2 (Permits – New Source Review)

Regulation 2, Rule 4 (Permits – Emissions Banking)

Regulation 2, Rule 6 (Permits – Major Facility Review)

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CHAPTER 1

INTRODUCTION

Purpose of this Document

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CHAPTER 1

Introduction

The Bay Area Air Quality Management District (Air District or District) is proposing to make a number of technical and administrative revisions to two important Air District permitting programs: the New Source Review (NSR) program and the Title V Major Facility Review (Title V) program. Under the California Environmental Quality Act (CEQA), the Air District is required to consider the potential for any significant adverse environmental impacts to result from these proposed regulatory revisions. Air District staff have therefore directed the preparation of this Initial Study pursuant to CEQA.

As explained in detail in Chapter 3, the Initial Study has found that the proposed amendments will not have any significant adverse environmental impacts. Air District staff are therefore proposing that the District's Board of Directors adopt a Negative Declaration under CEQA pursuant to Section 15074 of the CEQA Guidelines.

The Air District is publishing this Initial Study and proposed Negative Declaration concurrently with drafts of the proposed amendments and a detailed Staff Report explaining what the proposed amendments will entail. Readers should review this Initial Study and proposed Negative Declaration in conjunction with those other documents in order to obtain a full understanding of the proposed amendments and their potential for adverse environmental impacts.

1.1 PURPOSE OF THIS DOCUMENT

The **Initial Study** is a preliminary assessment of the potential environmental impacts of the proposed project. The purpose of the Initial Study is to determine whether a Negative Declaration or Environmental Impact Report (EIR) must be prepared. (Guidelines § 15365.) If the Initial Study determines that there is substantial evidence that any aspect of the project, either individually or cumulatively, may cause a significant effect on the environment, regardless of whether the overall effect of the project is adverse or beneficial, then an EIR must be prepared. If the Initial Study determines that there is no substantial evidence that the project or any of its aspects may cause a significant effect on the environment, then a Negative Declaration should be prepared. (Guidelines § 15063(b).) As explained herein, this Initial Study has reached the second conclusion: that there is no substantial evidence that the proposed amendments will have any significant adverse effect on the environment. Accordingly, the Air District has prepared a proposed Negative Declaration. The Initial Study provides documentation for the finding in the proposed Negative Declaration that the project will not have a significant impact on the environment. (Guidelines § 15063(c)(5).)

The **Negative Declaration** is written statement by the lead agency briefly describing why the proposed project will not have a significant effect on the environment and therefore does not require an EIR. (Guidelines § 15371.) A Negative Declaration is prepared by Air District staff based on the analysis in the Initial Study, and then is proposed for adoption by the District's Board of Directors. Air District staff provide notice to the public of the proposed Negative Declaration and an opportunity to comment on it, and then the Board of Directors considers

it at a public hearing. The Board of Directors considers the proposed Negative Declaration along with any public comments received, and then adopts the Negative Declaration if it finds, using its independent judgment and analysis, that based on the whole record – including the Initial Study and any public comments – that there is no substantial evidence that the project will have a significant effect on the environment. (Guidelines § 15074(b).) A proposed Negative Declaration for consideration by the Board of Directors is included as Appendix A at the end of this document.

1.2 SCOPE OF THIS DOCUMENT

This document evaluates the potential impacts of the proposed amendments on the following resource areas:

- Aesthetics
- Agriculture and forestry resources
- Air quality
- Biological resources
- Cultural resources
- Geology / soils
- Greenhouse gas emissions and climate change
- Hazards & hazardous materials
- Hydrology / water quality
- Land use / planning
- Mineral resources
- Noise
- Population / housing
- Public services
- Recreation
- Transportation / traffic
- Tribal cultural resources
- Utilities / service systems

1.3 IMPACT TERMINOLOGY

The following terminology is used in this Initial Study/Negative Declaration to describe the levels of significance of impacts that would result from the proposed rule amendments:

- An impact is considered *beneficial* when the analysis concludes that the project would have a positive effect on a particular resource.

- A conclusion of *no impact* is appropriate when the analysis concludes that there would be no impact on a particular resource from the proposed project.
- An impact is considered *less than significant* if the analysis concludes that an impact on a particular resource topic would not be significant (i.e., would not exceed certain criteria or guidelines established by the District). Impacts are frequently considered less than significant when the changes are minor relative to the size of the available resource base or would not change an existing resource.
- An impact is considered *less than significant with mitigation incorporated* if the analysis concludes that an impact on a particular resource topic would be significant (i.e., would exceed certain criteria or guidelines established by the District), but would be reduced to a less than significant level through the implementation of mitigation measures.

1.4 ORGANIZATION OF THIS DOCUMENT

The content and format of this document, described below, are designed to meet the requirements of CEQA.

- Chapter 1, “Introduction,” identifies the purpose, scope, and terminology of the document.
- Chapter 2, “Project Description,” provides background information on the New Source Review and Title V Major Facility Review programs, describes the proposed rule amendments, and describes the area and facilities that would be affected by the amendments.
- Chapter 3, “Evaluation of Environmental Impacts,” provides the substance of the Initial Study’s analysis on which the proposed Negative Declaration is based. The evaluation follows the format of the Environmental Checklist adopted by the California Natural Resources Agency for this purpose in Appendix G of the CEQA Guidelines. This chapter includes a brief setting description for each resource area and identifies the impact (if any) of the proposed rule amendments on the resource topics listed in the checklist.
- Chapter 4, “References Cited,” identifies all printed references and personal communications cited in this report.
- Appendix A, “Proposed Negative Declaration,” presents the form of a Negative Declaration that Air District staff are proposing for adoption by the District’s Board of Directors.

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CHAPTER 2

PROJECT DESCRIPTION

Project Overview

Objectives

Project Location

Background on New Source Review and
Title V Permit Programs Being Amended

Detailed Project Description

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CHAPTER 2 Project Description

This chapter describes the proposed amendments to the Air District’s New Source Review and Title V permitting regulations that are the subject of this Initial Study. It provides background on the regulatory programs being amended and the objectives that the Air District is seeking to fulfill with the proposed amendments, and it describes in detail the specific regulatory changes involved.

2.1 PROJECT OVERVIEW

The Air District is proposing a set of technical and administrative amendments to two District permitting programs, the “New Source Review” (NSR) pre-construction permit program and the Title V “Major Facility Review” operating permit program. The proposed changes will not fundamentally alter the way these programs work, but they are important and necessary to address several developments that have occurred since the Air District last updated the programs in 2012.

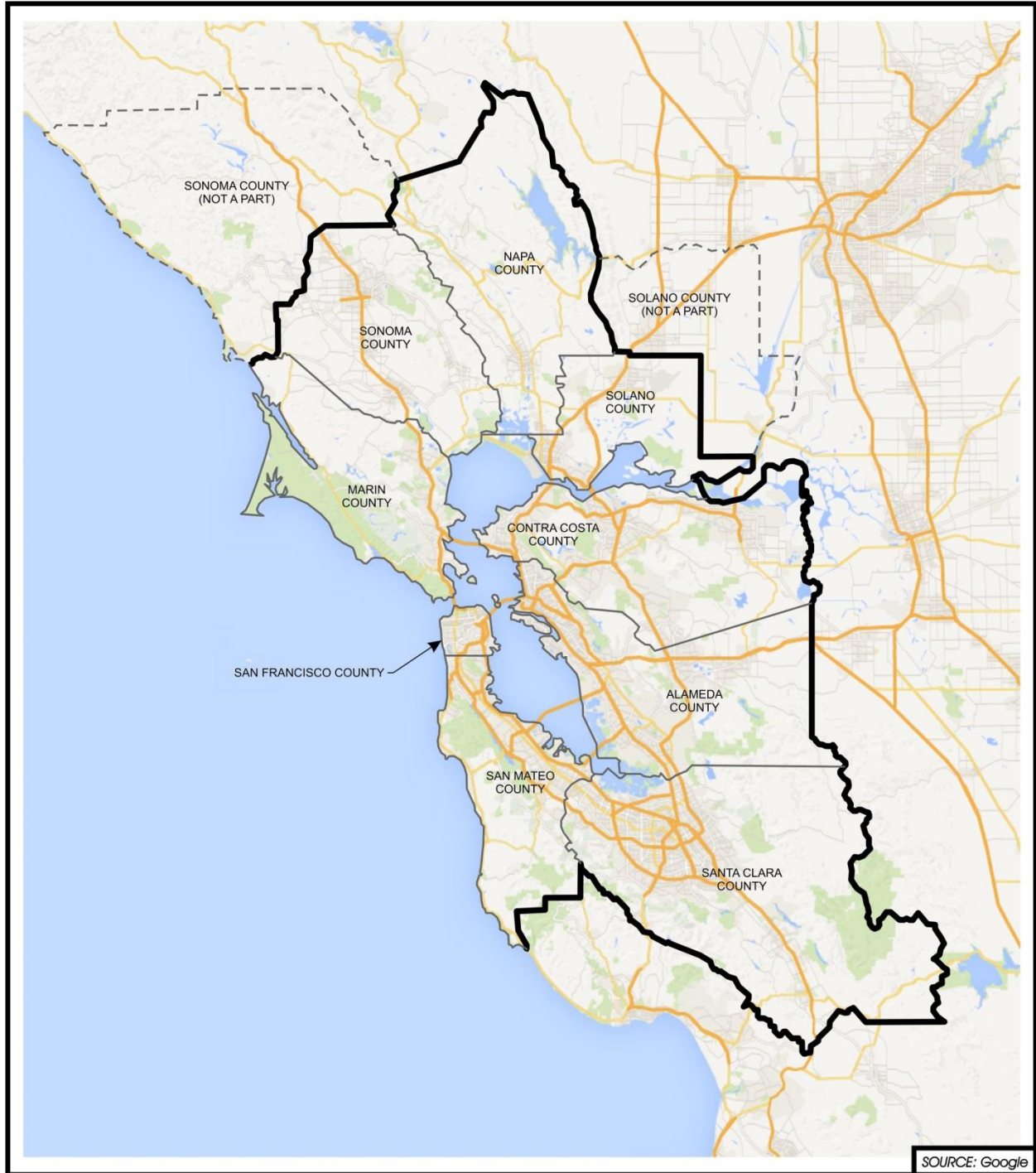
The recent developments that have given rise to the need for revisions to the NSR and Title V permitting programs fall into three categories. First, the U.S. Environmental Protection Agency (EPA) has identified 13 specific “deficiencies” that the Air District needs to address in order for EPA to fully approve the District’s NSR program under the federal Clean Air Act. Second, Air District staff have identified a number of additional areas where further revisions and clarifications are needed, based on Staff’s experience in working with the 2012 updates since they were adopted. Third, the Air District needs to make certain additional revisions to align the Air District’s programs with the U.S. Supreme Court’s ruling in *Utility Air Regulatory Group v. EPA* (134 S.Ct. 2427 (2014)), which interpreted several relevant provisions of the federal Clean Air Act regarding the Act’s NSR and Title V program requirements.

The proposed amendments will implement various technical and administrative changes to the Air District’s current NSR and Title V provisions in Regulation 2 in order to address each of these developments. The specific changes are discussed in detail in Section 2.5.

2.2 OBJECTIVES

The primary objectives of the proposed amendments are:

- To make revisions to the NSR program requested by EPA to allow EPA to fully approve the District’s regulations under the Clean Air Act;
- To make revisions identified by Air District staff to ensure that the regulations effectively implement the most recent amendments adopted in 2012; and
- To conform the Air District’s NSR and Title V regulations to the Supreme Court’s recent decision in the *UARG v. EPA* case.



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BAY AREA AIR QUALITY MANAGEMENT DISTRICT

2.3 PROJECT LOCATION

The Air District has jurisdiction over stationary sources of air emissions in the San Francisco Bay Area Air Basin. The Air District's jurisdiction covers an area encompassing 5,600 square miles, including all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties, and portions of southwestern Solano County and southern Sonoma County. A map of the Air District's jurisdictional boundaries is provided in Figure 2.2-1. The proposed amendments have the potential to affect facilities and sources that are subject to the New Source Review and Title V permitting programs throughout this area.

2.4 BACKGROUND ON NEW SOURCE REVIEW AND TITLE V PERMIT PROGRAMS BEING AMENDED

The proposed amendments involve revisions to two important Air District permitting programs, the NSR program and the Title V program.

2.4.1 New Source Review (Regulation 2, Rule 2)

The Air District's NSR program is a comprehensive air permitting program that applies to stationary-source facilities within the District's jurisdiction. Whenever a facility wants to install a new source of air emissions or make a modification to an existing source, the NSR program requires the facility to obtain a permit and implement state-of-the-art air pollution control technology to limit the source's emissions. NSR is a pre-construction permitting requirement, meaning that the facility is required to obtain its NSR permit before it can begin work on the new source or modification to an existing source.

The principal substantive requirement for obtaining an NSR permit is that the proposed new or modified source must use the "Best Available Control Technology" to limit its emissions to the greatest extent possible. In addition, for pollutants for which the Bay Area is not in compliance with applicable ambient air quality standards (as well as a few others), the proposed source must "offset" its emissions with corresponding emission reductions from other sources so as to achieve no net increase in emissions of that pollutant. Finally, the new or modified source must demonstrate through computer modeling that it will not cause or contribute to any violations of specified air quality standards.

The regulations governing the Air District's NSR program are set forth primarily in District Regulation 2, Rule 2, entitled "Permits – New Source Review." Additional regulatory provisions supporting the NSR program are set forth in Regulation 2, Rule 4 (entitled "Permits – Emissions Banking"), which establishes the procedures for banking emission reductions generated when sources shut down so that they can be used to offset emissions increases from future projects; and in Regulation 2, Rule 1 (entitled "Permits – General Requirements"), which sets forth a number of general requirements that apply to all permitting programs in Regulation 2. The requirements of the NSR program are also discussed in more detail in the Staff Report for the proposed amendments, as well as in other materials that the Air District has published for the NSR program.

2.4.2 Title V Major Facility Review (Regulation 2, Rule 6)

The Air District’s Title V program (also known as “Major Facility Review”) requires “major” facilities – those with emissions of over 10, 25, or 100 tons per year, depending on the pollutant – to obtain operating permits. The Title V operating permit does not impose any additional substantive requirements on these facilities to limit their emissions. Instead, the purpose of the Title V permit is to collect all of the substantive emissions control requirements applicable to the facility under District, state and federal permits and regulations into one comprehensive document, which improves the transparency and enforceability of the regulatory requirements for these complex “major” facilities.

Facilities that exceed the applicable “major” facility thresholds must apply for and obtain a Title V operating permit. Upon receiving a Title V permit application, the Air District reviews all of the legal requirements related to air quality that apply to the facility’s operations, including requirements from NSR permits, requirements from other Air District regulations, and requirements from applicable state and federal regulations. The Air District incorporates all of these requirements into a comprehensive set of “applicable requirements” that are set forth in the Title V permit. The District may also impose additional monitoring requirements, over and above what is required under existing regulations, if necessary to ensure that the facility will operate in compliance with all of the identified applicable requirements at all times. The Air District then issues the Title V permit through a public process, with notice to any affected members of the public and an opportunity for the public to comment on and engage in the permit review process.

The Air District’s Title V regulations are set forth in District Regulation 2, Rule 6, entitled “Permits – Major Facility Review.” As with the NSR regulations, there are also a few relevant provisions also contained in Regulation 2, Rule 1, “Permits – General Requirements.” The requirements of the Title V program are also discussed in more detail in the Staff Report for the proposed amendments.

2.4.3 Oversight and Approval by EPA and the California Air Resources Board

The Air District’s NSR and Title V programs are subject to certain minimum requirements imposed by California and federal law. The Air District has a fair amount of latitude to craft its programs in a manner most suited to the specific circumstances facing the San Francisco Bay Area. But the programs must at a minimum satisfy the state and federal program requirements, and they are subject to review and approval by the California Air Resources Board (CARB) and EPA to ensure that they do. One of the main reasons why the Air District needs to implement the proposed amendments is to make changes required by EPA for full approval of the District’s programs under the federal Clean Air Act.

2.5 DETAILED PROJECT DESCRIPTION

As noted above, the proposed amendments are necessary to make changes to allow EPA to fully approve the Air District’s permitting programs under the Clean Air Act; to make revisions identified by Air District staff based on their experience in implementing the 2012 amendments to ensure that the regulations function effectively; and to conform the Air District’s programs to the

Supreme Court's ruling in the *UARG v. EPA* case. To do so, the proposed amendments will make the following specific revisions to the Air District's NSR and Title V regulations.

- The proposed amendments will remove certain language in three provisions in Regulation 2, Rule 1 to address EPA's concerns that the current regulatory language relies on provisions related to agricultural sources that have not been approved by EPA. The specific provisions in which language is being removed are (i) the definition of "agricultural source" in Section 2-1-239, (ii) the procedures in Section 2-1-424 for permitting sources that lose their permit exemption because of a change in regulations; and (iii) the permit exemption for small agricultural sources in Section 2-1-113.1.2. The proposed amendments will substitute different language that EPA does not find objectionable, but which has the same substantive meaning. There will be no substantive change in what the regulations require as a result of these language revisions.
- The proposed amendments will change the way that the definition of "modification" in Section 2-1-234.2 incorporates terms from EPA's federal NSR regulations by reference. EPA objected to certain federal regulatory terms that Section 2-1-234.2 currently incorporates by reference, and requested that the Air District reference different federal regulatory terms instead. The proposed amendments will make this change. The revised terms that will be incorporated by reference have the same substantive meaning, and so there will be no substantive change in what the regulations require as a result of these language revisions.
- The proposed amendment will revise the definition of "PSD Project" in Section 2-2-224 to specify that a project can be a PSD Project if it is located at a facility that exceeds the "major" facility thresholds for *any* regulated NSR pollutant as defined in EPA's federal PSD regulations. This will be a revision to the current definition of "PSD Project," which applies only if a facility exceeds the "major" facility thresholds for *an attainment pollutant*. The practical effect of this change could be a slight expansion of the universe of facilities subject to the PSD requirements of Regulation 2-2. This would occur to the extent that there are facilities that are below the "major" source threshold for all attainment pollutants, but are above the threshold for a non-attainment pollutant. Projects at these facilities that involve significant net emissions increases will be "PSD Projects" under the revised definition in Section 2-2-224, and thus subject to PSD requirements,¹ whereas they are not under the current version of Section 2-2-224. The substantive impact of such a change will be minor, however, because (i) there will be few (if any) additional facilities that become "major" facilities that are not already "major" facilities under the current regulation; (ii) to the extent that there are additional facilities that become "major" facilities as a result of this change, they are not likely to undertake projects with significant net emissions increases with any great frequency; and (iii) when facilities do undertake such projects, the substantive requirements for such projects will in many cases not be significantly different than what such facilities are subject to already under the current regulations.

¹ The substantive PSD requirements are the PSD "Best Available Control Technology" requirement under Regulation 2-2-304 and PSD air quality analysis requirements under Regulations 2-2-305 through 2-2-307.

- The proposed amendments will revise Section 2-2-305.3 to specify that an applicant must obtain written approval from EPA, as well as from the Air District, before using an alternative computer model for an air quality analysis. This additional EPA approval requirement will not make any substantive change to the computer modeling provisions and related air quality analysis provisions in Section 2-2-305.
- The proposed amendments will revise Section 2-2-611 (with related revisions to Sections 2-2-217 and 2-2-224.1) to add a few additional facility categories that must include their fugitive emissions when determining if the facility's emissions exceed the federal "major" facility threshold. The current regulations require that fugitive emissions are counted for facilities in any of 28 specified source categories. The proposed amendments will require that facilities also need to include fugitive emissions if they are in any other source category that was regulated under Section 111 or 112 of the Clean Air Act as of August 7, 1980. The practical effect of this change could be a slight expansion of the universe of facilities that exceed the "major" facility threshold, to the extent that there are any facilities that are currently below the threshold but close enough to it that their fugitive emissions will push them over the threshold. The substantive impact of such a change will be minor, however, because there are not a large number of facilities that would fall into this category, and even where there are such facilities, the additional requirements that will apply to such facilities as a result of the proposed amendments will in many cases not be significantly different from what they are currently subject to.
- The proposed amendments will revise the requirement in Section 2-2-401.4 for major projects to provide an evaluation of their potential impacts on "Class I Areas," which are national parks and other similar areas designated for heightened protection under the Clean Air Act. The current rules require a Class I Area impacts analysis for projects located within 100 km of a Class I Area. The proposed amendments will revise this 100 km limit to specify that a Class I Area analysis must be undertaken as required by guidance published by the Federal Land Managers' Air Quality Related Values Work Group. That guidance requires Class I Area analyses beyond 100 km to the extent that the project's emissions in tons per year will be over 10 times the distance from the Class I Area in kilometers – i.e., a 1,200 tpy project will require the analysis if it is within 120 km of a Class I Area, a 1,500 tpy project will require the analysis if it is within 150 km of a Class I Area, etc. This change could potentially require additional Class I Area impact analyses, but it is highly unlikely that it will make any difference in practice. In order for a project to be affected by the change, it will have to involve an emissions increase of over 1,000 tons per year, and emissions increases of that magnitude are highly unlikely in the Bay Area.
- The proposed amendments will revise Section 2-1-411 to establish time limits for facilities to apply for a refund of offsets (emission reduction credits) they have provided in connection with obtaining an NSR permit. This provision allows permit applicants to apply for refunds in cases where they have provided additional offsets beyond what was required for the permit, or where they end up not building or operating the source for which the offsets were provided. The time limits will be two years after issuance of an authority to construct, or six months after issuance of a permit to operate, beyond which a facility will

no longer be eligible to obtain an offsets refund. This revision is not expected to have any substantive effect on the ability for applicants to obtain refunds in cases where they are eligible for them, because the time limits are long enough to allow facilities to determine whether they are eligible for a refund – and how much of a refund they are eligible for – and to submit their applications well before the deadline. As a practical matter, no permit applicants are expected to be denied the opportunity to obtain refunds as a result of this change.

- The proposed amendments will revise Section 2-2-412, which governs the procedures under which the Air District makes an annual demonstration that its NSR program is obtaining at least as many offsets as are required under EPA Region 9’s interpretation of the federal NSR regulations. This provision was adopted to address the fact that EPA Region 9 uses a somewhat different approach to collecting offsets from what the Air District requires under its NSR regulations. This difference in approach means that the Air District could potentially collect fewer offset credits for a particular major-source permit than EPA Region 9 would require under its interpretation of the federal regulations. The equivalence demonstration provides a mechanism through which the Air District demonstrates that, overall, its rules collect more offsets District-wide than EPA would require – meaning that the Air District’s program is more stringent overall even if the District collects fewer offsets from certain individual projects.

The Air District’s current offsets equivalence demonstration provision in Section 2-2-412 addresses one area where the District’s offsets requirements take a different approach than EPA Region 9 does. EPA has since identified a second area of difference, and the proposed amendments to Section 2-2-412 will require the equivalence demonstration to address this second area as well. The revised provision will require the Air District to evaluate the amount of any shortfall between (i) what EPA Region 9 would have required for each major NSR permit the Air District issues each year and (ii) what the Air District actually collected for those permits. To the extent that there is any shortfall between what EPA Region 9 would have required and what the Air District actually collected, the District will have to demonstrate that it obtained more than enough offsets to cover this shortfall from smaller permits where EPA would not have required any offsets at all under the federal program.

The proposed amendments also make several related revisions to the current equivalence demonstration provision. They expand the regulatory language to provide more specificity and detail on how the equivalence demonstration process works. They also add PM_{2.5} as a pollutant that must be addressed in the demonstration. They also remove the requirement that the Air District must procure and provide credits where there are insufficient credits available to make up for any shortfall. And they add a “backstop” mechanism to require the Air District to collect additional offsets from major NSR permits according to EPA Region 9’s approach in the unlikely event that the District cannot make the demonstration for a given year.

These changes are unlikely to have any substantive impact because for the most part they simply revise the administrative procedures governing the way the Air District makes its equivalence determination. As a practical matter, the Air District has never had any

problem demonstrating that its offsets requirements are more than sufficient to surpass EPA Region 9's interpretation of the offset requirements, and the proposed amendments are unlikely to change that situation because overall the District's offsets requirements are much more stringent than the federal requirements. Moreover, even if there were ever to be a situation where the Air District could not make the equivalence demonstration for a certain year, that would not have a significant effect on projects permitted under the NSR program, as they could still be permitted the same way. They would just have to adjust the amount of offsets they would have to provide to conform to EPA Region 9's interpretation.

- The proposed amendments will revise Section 2-2-605, which governs how much emission reduction credit is available when a source is shut down or curtailed. The current rule allows “fully offset” sources – i.e., sources that provided offsets for the full amount of their permit limits when they were permitted – to take credit for their maximum *permitted* emissions levels. EPA objected that this is inconsistent with federal requirements, and is requiring that the District allow credit only for the source's historical *actual* emission levels, not its maximum permitted emissions. This change will reduce the amount of credit allowed when a “fully offset” source is shut down, which could have an effect on reducing the total amount of credits available regionwide to offset future increases from new projects. (Note that the proposed amendments include a parallel change in the banking provisions in Regulation 2-4, removing Section 2-4-301.7.) This could result in the stock of banked credits declining more quickly, which could cause a marginal increase in the cost of credits and could lead to the District's emissions bank being exhausted at an earlier date than it otherwise would be. Any such impact would occur only on the margins, however, and it is not expected to result in any significant changes in how projects at affected facilities are implemented in practice.
- The proposed amendments will revise the exemption for small agricultural sources in Section 2-1-113.1.2 to make clear that the exemption's 50 ton-per-year size limit does not limit eligible sources to 50 tons per year of greenhouse gases. Given the nature of greenhouse gases, a 50 tpy limit would effectively eliminate the exemption for virtually all qualifying agricultural sources. This was never the intention with respect to how this exemption would function. The revision will keep the 50 tpy size limit for all other regulated air pollutants (except for fugitive dust, which is currently not subject to the exemption limit), which will create an effective size limit to ensure that only small agricultural sources are eligible. Accordingly, there will be no substantive change to how this exemption has been limited historically.
- The proposed amendments will make a similar change to the provisions in Section 2-1-413 for permitting sources that will be used at multiple locations throughout the Air District. The change will make clear that the 10 tpy limit in subsection 413.1 for such sources to be eligible for multi-location permits applies only to regulated pollutants other than greenhouse gases. Again, given the nature of greenhouse gases, a 10 tpy limit would effectively eliminate the ability to apply for multi-location permits for virtually all qualifying sources, which was never the intention. The 10 tpy limit will remain unchanged

for all other regulated air pollutants, which will ensure that only small sources are eligible to use this provision, with no substantive change to how it has been applied historically.

- The proposed amendments will revise the multi-location permitting provision in Section 2-1-413 to preclude the use of multi-location permits for sources that will reside at the same facility for more than 12 months. In the event that a source with a multi-location permit is operated at a single facility for more than 12 months, it will lose its eligibility to use the multi-source permit and will have to be included in the permit for that specific facility. This revision will not make any substantive change to the way that such sources are permitted and operated, as such sources will still need to satisfy applicable NSR permit requirements regardless of which provision they are permitted under. Whether they are permitted for use at multiple locations or for use at a single facility, they will still have to comply with all applicable NSR permitting requirements and other related requirements.
- The proposed amendments will revise the definition of “facility” in Section 2-1-213 to clarify that equipment operated by an agent or contractor on behalf of a facility for more than 12 months is considered to be part of the facility. This will mean that the equipment needs to be included under the facility’s permit, and not under the agent or contractor’s permit. This change will eliminate a loophole whereby equipment that is dedicated to one specific facility can get excluded from the facility’s permit simply because it is owned or operated by a third party working at the facility (i.e., the agent or contractor). This change will primarily affect the determination of who is responsible for obtaining and maintaining the permit for such equipment, and will not have any significant substantive effect on how that equipment is permitted or operated at the facility.
- The proposed amendments will remove the redundant provision in the definition of “greenhouse gases” in Section 2-2-214 addressing how a facility’s greenhouse gases are measured for purposes of determining whether the facility exceeds the federal “major” facility thresholds. The Supreme Court’s ruling in the *UARG v. EPA* case established that greenhouse gases are not counted in determining whether a facility is a “major” facility under the Clean Air Act. As such, the provision addressing how to measure greenhouse gases for this purpose is no longer necessary. Removing this element of the “greenhouse gas” definition will have no substantive effect on the NSR program, as it is now clear in the aftermath of the Supreme Court’s decision that the federal NSR program does not regulate greenhouse gases in this manner, and the District’s program incorporates the federal provisions affected by that decision directly.
- The proposed amendments will also remove all of the provisions addressing greenhouse gases in the Title V regulations in Regulation 2, Rule 6. The *UARG v. EPA* decision eliminated the basis for these provisions, as it made clear that Title V does not apply to facilities based on their greenhouse gas emissions. To align the District’s Title V program with the federal requirements as delineated in the *UARG v. EPA* decision, the proposed amendments will therefore remove Section 2-2-222.6, which added greenhouse gases as a “regulated air pollutant” subject to the Title V program, as well as related provisions in Regulation 2, Rule 6 addressing greenhouse gases. This change may affect a small number

of facilities that were “major” facilities subject to Title V permit requirements solely because of their greenhouse gas emissions, but will now not be “major” because they do not have emissions of any other regulated air pollutant above the Title V “major” facility threshold. But there will be no change in the substantive requirements applicable to any such facilities, as Title V does not impose substantive emissions control requirements. As described above, Title V simply collects all existing substantive requirements from other sources and incorporates them into a single comprehensive permitting document to improve transparency and enforceability. Any facilities that are no longer subject to Title V permitting because of these changes will still be required to comply with the same substantive requirements under their District permits and applicable District, state and federal regulations.

- The proposed amendments will also revise Section 2-4-301 in the Air District’s banking provisions (specifying what emission reductions are bankable) to state explicitly that emission reductions must be real, permanent, quantifiable, enforceable, and surplus in order to be banked. This revision will not have any substantive impact on the way facilities operate, as the Air District’s program currently requires emission reductions to satisfy all of these requirements to be bankable. This revision simply makes the requirement explicit in the text of Section 2-4-301.
- Finally, the proposed amendments will also revise Section 2-4-302 in the banking regulations, which sets forth requirements for banking of emission reductions from closures. This revision will remove subsection 302.3, which on its face could be read to allow emissions from a closure to resume after a banking certificate is issued. Removal of this provision will ensure that if a source is closed and the resulting emission reductions are banked, the emissions cannot resume again under any circumstances. This revision will also have no substantive impact on the way facilities operate, as a reduction must be permanent under the current regulations in order to qualify as an “Emission Reduction Credit” that can be banked. This revision will conform the language of Section 2-4-302 to this existing requirement, with no substantive change to the provisions governing what emission reductions can be banked.

The Air District is publishing the text of the proposed amendments in conjunction with this Initial Study, which sets forth the specific revised regulatory language for each of these proposed changes. The proposed changes are also described in detail in the Staff Report that has been prepared for the proposed amendments.

CHAPTER 3

EVALUATION OF ENVIRONMENTAL IMPACTS

Introduction

General Information Form

Summary Checklist:
Environmental Factors Potentially Affected

Determination

Detailed Checklist and Discussion:
Evaluation of Environmental Impacts

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CHAPTER 3

Evaluation of Environmental Impacts

INTRODUCTION

The Initial Study is required to identify and evaluate the proposed project's environmental effects. The California Natural Resources Agency has published a checklist for lead agencies to use in doing so, in Appendix G of the CEQA Guidelines. The Appendix G environmental checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. The Guidelines specifically authorize and encourage the use of Appendix G to satisfy the legal requirements for sufficiency of the Initial Study. (Guidelines §§ 15063(d)(3), 15063(f).)

The Appendix G checklist consists of four elements:

- A general information form, which identifies some basic information about the proposed project.
- A summary checklist of "Environmental Factors Potentially Affected," which lists each resource area evaluated and indicates whether or not the proposed project may potentially have a significant impact in that area.
- A "Determination" form, which states the conclusion that Air District staff have reached as to whether there will be any potentially significant impacts and whether an EIR or a Negative Declaration will be prepared.
- A detailed "Evaluation of Environmental Impacts" checklist, which provides the full analysis and explanation of whether there will be any potentially significant impacts for each impact area.

Each of these elements of Appendix G is set forth below.

GENERAL INFORMATION

Project Title:	Proposed Amendments to four Rules in District Regulation 2 (Permits): Rule 1 (General Requirements), Rule 2 (New Source Review), Rule 4 (Emissions Banking) and Rule 6 (Major Facility Review)
Lead Agency Name:	Bay Area Air Quality Management District
Lead Agency Address:	375 Beale Street, Suite 600 San Francisco, California 94105
Contact Person:	Greg Stone
Contact Phone Number:	415-749-4745
Project Location:	The proposed amendments to Regulation 2 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 County and southern Sonoma County.
Project Sponsor’s Name:	Bay Area Air Quality Management District
Project Sponsor’s Address:	375 Beale Street, Suite 600 San Francisco, California 94105
General Plan Designation:	Regulation 2 applies to the area within the jurisdiction of the Bay Area Air Quality Management and would encompass all general plan designations within the Bay Area.
Zoning:	Regulation 2 applies to the area within the jurisdiction of the Bay Area Air Quality Management and would encompass all types of zoning within the Bay Area.
Description of Project:	See Chapter 2.
Surrounding Land Uses and Setting:	See “Affected Area” in Chapter 2.
Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, has consultation begun?	No tribes have requested consultation.

SUMMARY CHECKLIST – ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The following environmental impact areas have been assessed to determine their potential to be affected by the proposed project. Impact areas in which the proposed project may have a significant impact are marked with a “✓”. An explanation supporting the determination of significant impacts can be found in the Detailed Checklist and Discussion section below.

- | | | |
|---|---|--|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture and Forestry Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology / Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality |
| <input type="checkbox"/> Land Use / Planning | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population / Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation / Traffic | <input type="checkbox"/> Tribal Cultural Resources | <input type="checkbox"/> Utilities / Service Systems |
| <input type="checkbox"/> 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.

Dated: 10/11/17



Jaime Williams
Director of Engineering
Bay Area Air Quality Management District

DETAILED CHECKLIST AND DISCUSSION – EVALUATION OF ENVIRONMENTAL IMPACTS:

The proposed amendments to Air District Regulation 2 will make technical and administrative changes to the District's New Source Review (NSR) and Title V permit programs as required by EPA and the federal Clean Air Act. These technical and administrative revisions are necessary to allow EPA to fully approve the District's programs under the Act. The proposed amendments will also make additional minor revisions to ensure that the NSR program can be implemented effectively.

While these changes are important to ensure that the Air District's programs function properly from a legal and practical standpoint, they are relatively minor and will not alter the way the NSR and Title V programs regulate stationary air pollution sources in any fundamental manner. In particular, the proposed changes will not require any substantial changes in the way facility owners construct and operate their equipment.

A few of the technical and administrative amendments will result in minor expansion of the scope of the NSR program at the margins, but the changes will be minimal and will not make any substantial changes to how the program operates currently. For example, the revisions to Section 2-2-224.1 will make the program's Prevention of Significant Deterioration (PSD) requirements apply to major sources of non-attainment pollutants, and not just to major sources of attainment pollutants. This could slightly expand the universe of facilities subject to these requirements if there are facilities that are currently below the "major" facility thresholds for all attainment pollutants but over the threshold for a non-attainment pollutant. Similarly, the addition of a few additional source categories to the list of facilities that need to count their fugitive emissions when determining if they exceed the "major" facility thresholds under Section 2-2-611 could slightly expand the universe of major facilities, to the extent that there may be facilities in any of those source categories that are below the major facility threshold without their fugitive emissions included, but are close enough to the threshold that their fugitive emissions will push them over it. In addition, the elimination of the provision in Section 2-2-605.2 granting emission reduction credits based on a "fully offset" source's maximum *permitted* emissions, and instead restricting the amount of credit to the source's *actual* emissions, may marginally reduce the amount of emission reduction credits available District-wide, which may incrementally increase the cost of credits and could potentially cause the District's emissions bank to be depleted earlier than it otherwise would be. And the incorporation of new guidance on determining whether a project applicant needs to prepare an air quality analysis for special "Class I" areas under Section 2-2-401.4 could require a few additional applicants to have to undertake such analyses, to the extent that applicants propose very large projects located a long distance away from a Class I area.

These changes will make an incremental expansion in the scope of the Air District's NSR program at the margins, and they could therefore potentially subject a facility to some additional regulatory requirement in a way that is not required currently. The potential for such a situation to arise in practice would depend on whether there are any facilities in the Bay Area in any category described above that could be affected by these changes, and whether (and to what extent) such facilities may decide to pursue projects involving the installation of new sources, or the modification of existing sources, that would implicate any of the changes. It is unlikely that there will be a large

number of facilities affected, however, and even for facilities that are affected, it is not likely that they will undertake many projects that will be affected.

Furthermore, if any facility does propose a project that will be subject to any changed regulatory requirements as a result of the proposed amendments, it is not likely that the facility will be required to make any significant substantive changes to the project compared to what is required under the current regulations. For example, if a facility becomes a “major” facility and its project becomes subject to the PSD “Best Available Control Technology” requirement in Section 2-2-304, it is unlikely that the facility would have to make any substantive changes to limit the project’s emissions over and above what is already required under the District’s Best Available Control Technology requirement in Section 2-2-301. If a facility needs to procure additional emission reductions to satisfy the rule’s offset requirements, it will simply have to find additional reductions within the facility or purchase more offsets from the District’s emissions bank, with no need to fundamentally change the design of the project. And if a facility is required to undertake some additional air quality analysis, that analysis is not likely to require any significant change in the project to address an air quality impact that is not already addressed under the current regulations.

In addition, these revisions are required by the Clean Air Act, and as a practical matter facilities in the Bay Area will be subject to them regardless of whether the Air District adopts the proposed amendments. This is because EPA is authorized to step in and impose the federal NSR requirements itself if the Air District does not do so, which will subject permit applicants to all of these requirements even if the District does not act. In this respect, the proposed amendments will not make any changes at all to the regulatory landscape that will apply to affected facilities in the Bay Area going forward. That landscape will include all of these federally required provisions regardless of whether the Air District adopts the proposed amendments. This situation further underscores how the proposed amendments will not have any *de facto* substantive impact on the way facility owners will be required to construct and operate their equipment.

Beyond these provisions making minor changes to the scope of the Air District’s NSR program, the remainder of the proposed amendments do not affect the program’s substantive requirements in any way. Many of the amendments apply only to the procedural requirements governing how the permitting programs are administered, such as the requirement for EPA to approve the use of alternative computer models (Section 2-2-305.3), the time limits on applicants’ requests for offset refunds (Section 2-2-411), and the procedures by which the Air District demonstrates each year that its emissions “offsets” provisions are at least as stringent as what is required under federal law (Section 2-2-412). Others involve only revisions to the specific terminology used in the regulations without any substantive change in meaning, such as the language changes in the agricultural source provisions (Sections 2-1-239 and 2-1-113.1.2) and the terms from EPA’s regulations incorporated by reference into the definition of a “modification” subject to the NSR requirements (Section 2-1-234.2). These revisions will not require permitted facilities to do anything differently than what is required under the current regulations. They will simply make the revisions necessary to allow EPA to fully approve the District’s regulatory programs and to achieve the other related goals of the proposed amendments.

Given the narrow scope of the proposed amendments and the fact that they are limited to minor technical and administrative changes in the regulations, the proposed amendments are not expected

to result in any significant change in the way the regulations work or what they require of regulated facilities in the Bay Area. As such, the proposed amendments are not expected to result in any significant changes at any affected facilities that will adversely impact any environmental resources. The potential for significant impacts on each specific environmental resource area evaluated is addressed in more detail below following the specific checklist for that resource area.

ENVIRONMENTAL CHECKLIST AND DISCUSSION

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

Setting

The Bay Area Air Quality Management District covers all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties and portions of southwestern Solano County and southern Sonoma County. 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. Important views of natural features include the Pacific Coast and ocean, San Francisco Bay, Mount Tamalpais, Mount Diablo, and other peaks and inland valleys of the Coast Range. Enclosed views like those along roads winding through redwood groves, and broader views of the ocean and lowlands, such as along ridgelines, are in abundance in the Bay Area. Cityscape views offered by buildings and distinctive Bay Area bridges are also important built visual resources to the region (ABAG, 2013). Because of the variety of visual resources, scenic highways or corridors are located throughout the Bay Area and include 15 routes that have been designated as scenic highways and 29 routes eligible for designation as scenic highways (ABAG, 2013).

The amendments to Regulation 2 will affect stationary sources in the Bay Area that are typically located within commercial, industrial and institutional facilities. Scenic highways or corridors are generally not located in the vicinity of these facilities.

Regulatory Background

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

Significance Criteria

The proposed project impacts on aesthetics will be considered significant if:

- The project will block views from a scenic highway or corridor.
- The project will adversely affect the visual continuity of the surrounding area.
- The impacts on light and glare will be considered significant if the project adds lighting which would add glare to residential areas or sensitive receptors.

Discussion of Impacts

I a-d. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Any new development potentially affecting visual resources would not be as a result of the proposed rule amendments and approval of those projects including evaluation of their environmental impacts would occur regardless of the proposed amendments to Regulation 2.

Therefore, the proposed amendments to Regulation 2 are not expected to impact scenic resources or vistas or degrade the existing visual character of any site or its surroundings, as no new facilities are expected to be required. Similarly, the proposed rule amendments are not expected to require any new lighting. The existing commercial, industrial, or institutional facilities that may be impacted by the proposed amendments to Regulation 2 are currently operating and lit for nighttime work if necessary, and no additional light or glare are expected to be added to impact day or nighttime views in the District.

Conclusion

Based upon these considerations, no significant adverse aesthetic impacts are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
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II. AGRICULTURE and FORESTRY RESOURCES. 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) | Conflict with existing zoning for agricultural use or conflict with a Williamson Act contract? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| a) | 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))? | | | | |
| b) | 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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. Some of these agricultural lands are under Williamson Act contracts. Agricultural land under Williamson Act contract includes both prime and nonprime lands. Prime agricultural land includes land with certain specific soil characteristics, land that has returned a predetermined annual gross value for three of the past five years, livestock-supporting land with specific carrying capacities, or land planted with fruit or nut trees, vines, bushes or crops that have a non-bearing period of less than five years (Government Code §51200-51207). Nonprime lands include pasture and grazing lands and other non-irrigated agricultural lands with lesser soil quality.

The Bay Area has a significant amount of land in agricultural uses. In 2010, just over half of the region's approximately 4.5 million acres were classified as agricultural lands, as defined by the California Department of Conservation Farmland Mapping and Monitoring Program. Of these 2.3 million acres of agricultural land, over 70 percent (about 1.7 million acres) are used for grazing. Products grown in the Bay Area include field crops, fruit and nut crops, seed crops, vegetable crops, and nursery products. Field crops, which include corn, wheat, and oats, as well as pasture lands, represent approximately 63 percent of the Bay Area agricultural land (ABAG, 2013). In 2006, about 1.2 million acres of land were under Williamson Act contract in the Bay Area. Of this, about 203,000 acres were prime farmland and one million acres were nonprime. Lands under Williamson Act contract are primarily used for pasture and grazing and not for cultivation of crops. Nearly 70 percent of prime and nonprime lands under contract are in Santa Clara, Solano, and Sonoma counties (ABAG, 2013).

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.

Significance Criteria

Project-related impacts on agriculture and forest resources will be considered significant if any of the following conditions are met:

- The proposed project conflicts with existing zoning or agricultural use or Williamson Act contracts.
- The proposed project will convert prime farmland, unique farmland or farmland of statewide importance as shown on the maps prepared pursuant to the farmland mapping and monitoring program of the California Resources Agency, to non-agricultural use.
- The proposed project conflicts with existing zoning for, or causes rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined in Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code § 51104 (g)).
- The proposed project would involve 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.

Discussion of Impacts

II a-e. The proposed rule amendments are designed to make changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V

amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources.

The proposed project would not conflict with existing agriculture related zoning designations or Williamson Act contracts. Existing agriculture and forest resources within the boundaries of the Air District are not expected to be affected, because the rule amendments would not require any new development. Therefore, there is no potential for conversion of farmland to non-agricultural use or conflicts related to agricultural uses or land under a Williamson Act contract, or impacts to forestland resources.

Conclusion

Based upon these considerations, no significant adverse impacts to agricultural and forest resources are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
III. AIR QUALITY. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Violate any air quality standard or contribute to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is a nonattainment area for an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Setting

The San Francisco Bay Area is characterized by a large, shallow basin surrounded by mountain ranges tapering into sheltered inland valleys. The basin is bounded by the Pacific Ocean to the west and includes complex terrain consisting of mountains, valleys and bays. Combined climatic and topographic factors result in an increased potential for the accumulation of air pollutants in the inland valleys and a reduced potential for buildup of air pollutants along the coast.

For purposes of analyzing air quality impacts under CEQA, the Air District divides air quality concerns into two categories: regional concerns and localized concerns. Regional concerns involve emissions from many sources throughout the region combine together to create unhealthy air quality regionally. These air quality concerns are addressed by ensuring that individual emissions sources do not add significantly to the Bay Area’s regional air quality challenges. Localized concerns, by contrast, involve emissions that may affect people who live or work near the emissions source and may be exposed to elevated pollutant concentrations because of the source. These localized air quality concerns are addressed by evaluating the potential health effects on people located nearby (called “sensitive receptors”) and ensuring that they will not be exposed to any significant health risks. (Note that in some cases, a particular pollutant may fall into both categories. This is the case with fine particulate matter, for example. In these cases, impacts associated with that pollutant are evaluated in both a regional and a localized context.)

Regional Air Quality

Regional air quality concerns are addressed by ambient air quality standards adopted by California Air Resources Board (CARB) and the United States Environmental Protection Agency (EPA). These standards set forth the maximum allowable concentrations of “criteria” pollutants in the ambient air throughout the region that are considered safe to breathe. These pollutants are called “criteria” pollutants because the standards are established by developing human-health based or environmentally-based “criteria” – i.e., science-based guidelines – for setting permissible ambient air pollutant concentrations.

EPA has established National Ambient Air Quality Standards (NAAQS) for the following criteria pollutants: ozone, carbon monoxide (CO), nitrogen dioxide (NO₂), particulate matter less than 10 microns in diameter (PM₁₀), particulate matter less than 2.5 microns in diameter (PM_{2.5}), sulfur dioxide (SO₂), and lead. California has also established standards for these pollutants, as well as for sulfate, visibility reducing particles, hydrogen sulfide, and vinyl chloride. The state and national ambient air quality standards for each of these pollutants, and their effects on health, are summarized in Table 3-1.¹

Air quality conditions in the San Francisco Bay Area have improved greatly since the Air District was created in 1955, and regional concentrations of criteria pollutants are now in compliance with or near compliance with most ambient air quality standards. The only criteria pollutants for which the Bay Area still exceeds any state or federal standards are ozone and particulate matter.

Ozone

For ozone, there are two types of standards, one measuring average ozone concentrations over eight-hour periods and the other measuring average ozone concentrations over one-hour periods.

For eight-hour average ozone concentrations, the Bay Area is marginally out of compliance with the most stringent state and federal standards, which are both 0.070 parts per million (ppm). The region has made substantial progress towards attaining these standards, and has recently attained the 2008 federal standard, which is 0.075 ppm. (*Determinations of Attainment by the Attainment Date etc.*, 81 Fed. Reg. 26697, 26698 (May 4, 2016).) The region has also greatly reduced the number of days each year when ozone levels exceed the current 0.070 ppm standards, as shown in Figure 3-1. The region has not quite met the 0.070 ppm standards, however, and is designated as “non-attainment” for both the state and federal ozone standards.

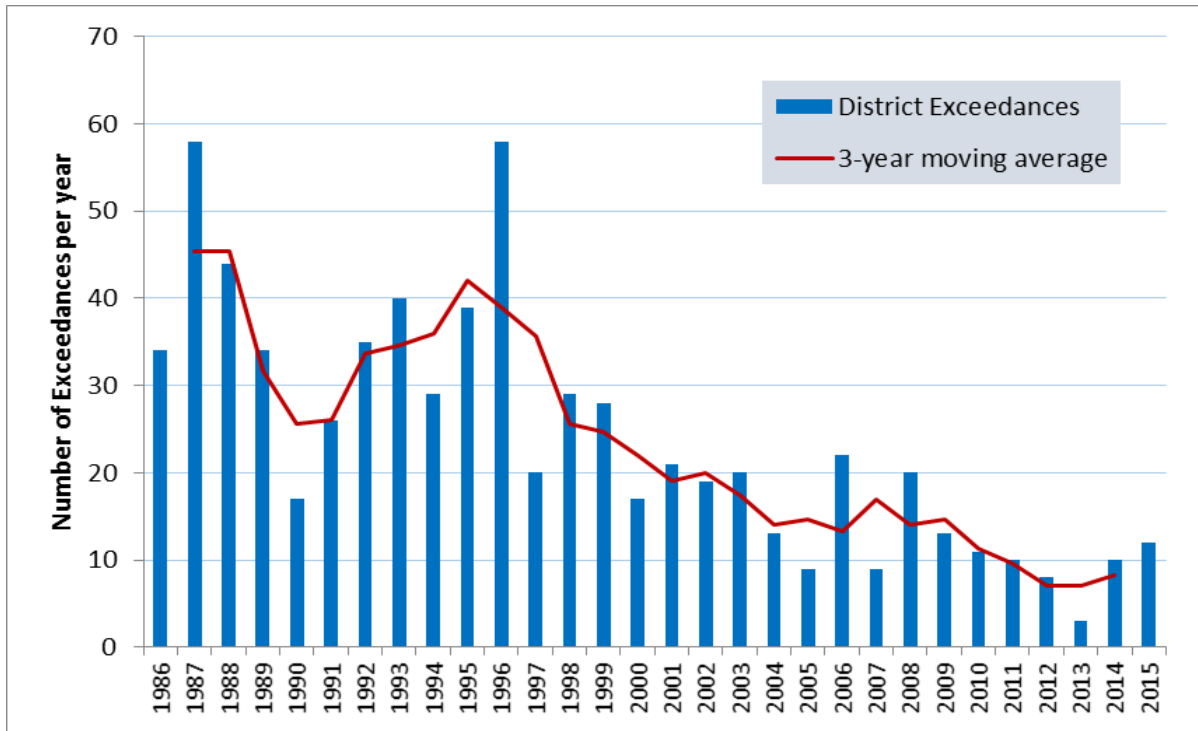
¹ EPA establishes two types of NAAQS, primary NAAQS and secondary NAAQS. The primary NAAQS are designed to protect human health, whereas the secondary NAAQS are designed to protect other values such as property and economic value, soils, water quality, crops, wildlife, etc. In many cases the secondary NAAQS is the same as the primary NAAQS, although for PM_{2.5} the secondary annual-average NAAQS is 15 µg/m³, which is less stringent than the primary annual-average NAAQS of 12 µg/m³; and for SO₂ the secondary NAAQS is 0.5 ppm (3-hour average), which is less stringent than the primary NAAQS of 75 ppb (1-hour average). The Air District focuses on the primary NAAQS in evaluating potential air quality impacts as they are generally more stringent and are focused on human health protection. Accordingly, discussions of the NAAQS in this document address the primary NAAQS for each relevant pollutant.

**TABLE 3-1
State and Federal Ambient Air Quality Standards**

POLLUTANT	STATE STANDARD	FEDERAL STANDARD	MOST RELEVANT EFFECTS
Ozone	0.09 ppm, 1-hr. avg. 0.070 ppm, 8-hr	No Federal 1-hr standard 0.070 ppm, 8-hr avg.	(a) Short-term exposures: (1) Pulmonary function decrements and localized lung edema in humans and animals (2) Risk to public health implied by alterations in pulmonary morphology and host defense in animals; (b) Long-term exposures: Risk to public health implied by altered connective tissue metabolism and altered pulmonary morphology in animals after long-term exposures and pulmonary function decrements in chronically exposed humans; (c) Vegetation damage; (d) Property damage
Carbon Monoxide	9.0 ppm, 8-hr avg. 20 ppm, 1-hr avg.	9 ppm, 8-hr avg. 35 ppm, 1-hr avg.	(a) Aggravation of angina pectoris and other aspects of coronary heart disease; (b) Decreased exercise tolerance in persons with peripheral vascular disease and lung disease; (c) Impairment of central nervous system functions; (d) Possible increased risk to fetuses
Nitrogen Dioxide	0.03 ppm, annual avg. 0.18 ppm, 1-hr avg. >	0.053 ppm, ann. avg. 0.100 ppm, 1-hr avg.	(a) Potential to aggravate chronic respiratory disease and respiratory symptoms in sensitive groups; (b) Risk to public health implied by pulmonary and extra-pulmonary biochemical and cellular changes and pulmonary structural changes; (c) Contribution to atmospheric discoloration
Sulfur Dioxide	0.04 ppm, 24-hr avg.> 0.25 ppm, 1-hr. avg. >	No Federal 24-hr Standard 0.075 ppm, 1-hr avg.	Bronchoconstriction accompanied by symptoms which may include wheezing, shortness of breath and chest tightness, during exercise or physical activity in persons with asthma
Suspended Particulate Matter (PM ₁₀)	20 µg/m ³ , annual arithmetic mean 50 µg/m ³ , 24-hr average	No Federal annual Standard 150 µg/m ³ , 24-hr avg.	(a) Excess deaths from short-term exposures and exacerbation of symptoms in sensitive patients with respiratory disease; (b) Excess seasonal declines in pulmonary function, especially in children
Suspended Particulate Matter (PM _{2.5})	12 µg/m ³ , annual arithmetic mean No State 24-hr Standard	12 µg/m ³ , annual arithmetic mean 35 µg/m ³ , 24-hour average	Decreased lung function from exposures and exacerbation of symptoms in sensitive patients with respiratory disease; elderly; children.
Sulfates	25 µg/m ³ , 24-hr avg.	No Federal Standard	(a) Decrease in ventilatory function; (b) Aggravation of asthmatic symptoms; (c) Aggravation of cardio-pulmonary disease; (d) Vegetation damage; (e) Degradation of visibility; (f) Property damage
Lead	1.5 µg/m ³ , 30-day avg. No State Calendar Quarter Standard No State 3-Month Rolling Avg. Standard	No Federal 30-day avg. Standard 1.5 µg/m ³ , calendar quarter 0.15 µg/m ³ 3-Month Rolling average	(a) Increased body burden; (b) Impairment of blood formation and nerve conduction
Visibility-Reducing Particles	In sufficient amount to give an extinction coefficient >0.23 inverse kilometers (visual range to less than 10 miles) with relative humidity less than 70%, 8-hour average (10am – 6pm)	No Federal Standard	Visibility based standard, not a health based standard. Nephelometry and AISI Tape Sampler; instrumental measurement on days when relative humidity is less than 70 percent
Hydrogen Sulfide	0.03 ppm, 1-hr avg.	No Federal Standard	Extremely strong and foul odor that can induce tearing of the eyes and symptoms related to overstimulation of the sense of smell, including headache, nausea, or vomiting. Hydrogen sulfide is regulated as a nuisance based on its odor detection level.
Vinyl Chloride	0.01 ppm, 24-hr avg.	No Federal Standard	Central nervous system effects such as dizziness, drowsiness, and headaches.

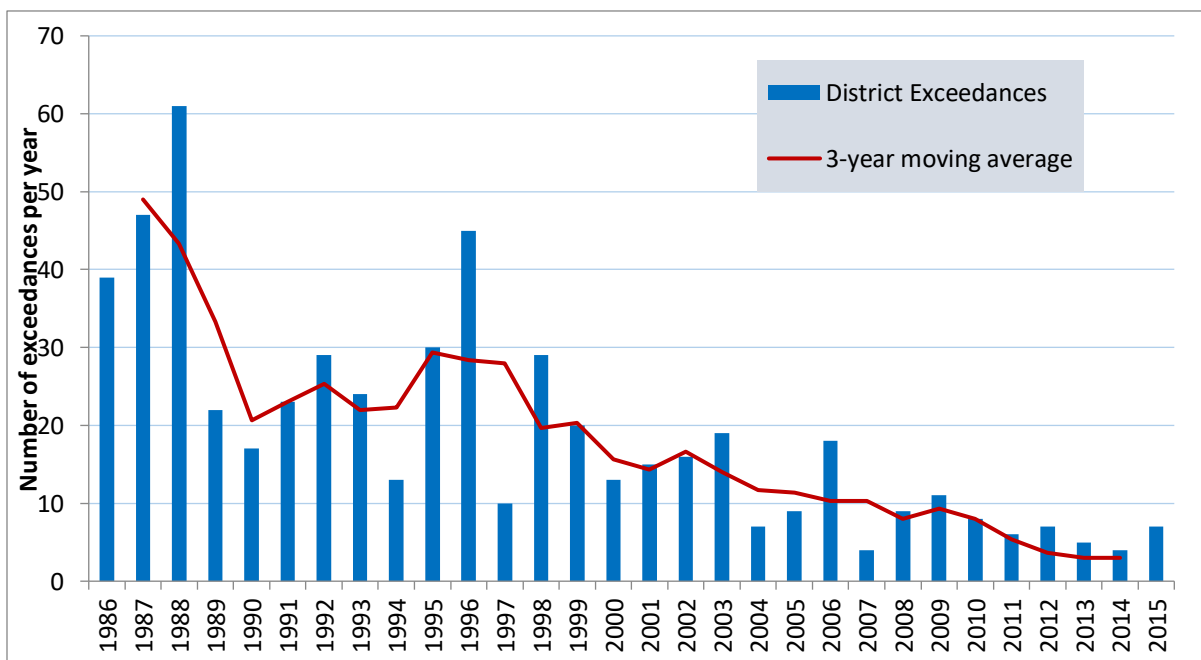
For one-hour average ozone concentrations, the situation is similar. Ozone levels have been coming down and the number of days per year with air quality exceeding the one-hour standard has been greatly reduced, as shown in Figure 3-2. But the is region is still designated as “non-attainment” for the California one-hour-average ozone standard. (The federal one-hour-average standard has been revoked and replaced by the eight-hour-average standard.)

FIGURE 3-1
Annual Bay Area Days Exceeding 0.070 ppm State 8-hour Ozone Standard, 1986-2015



Source: BAAQMD, 2017

FIGURE 3-2
Annual Bay Area Days Exceeding 0.09 ppm State 1-hour Ozone Standard, 1986-2015



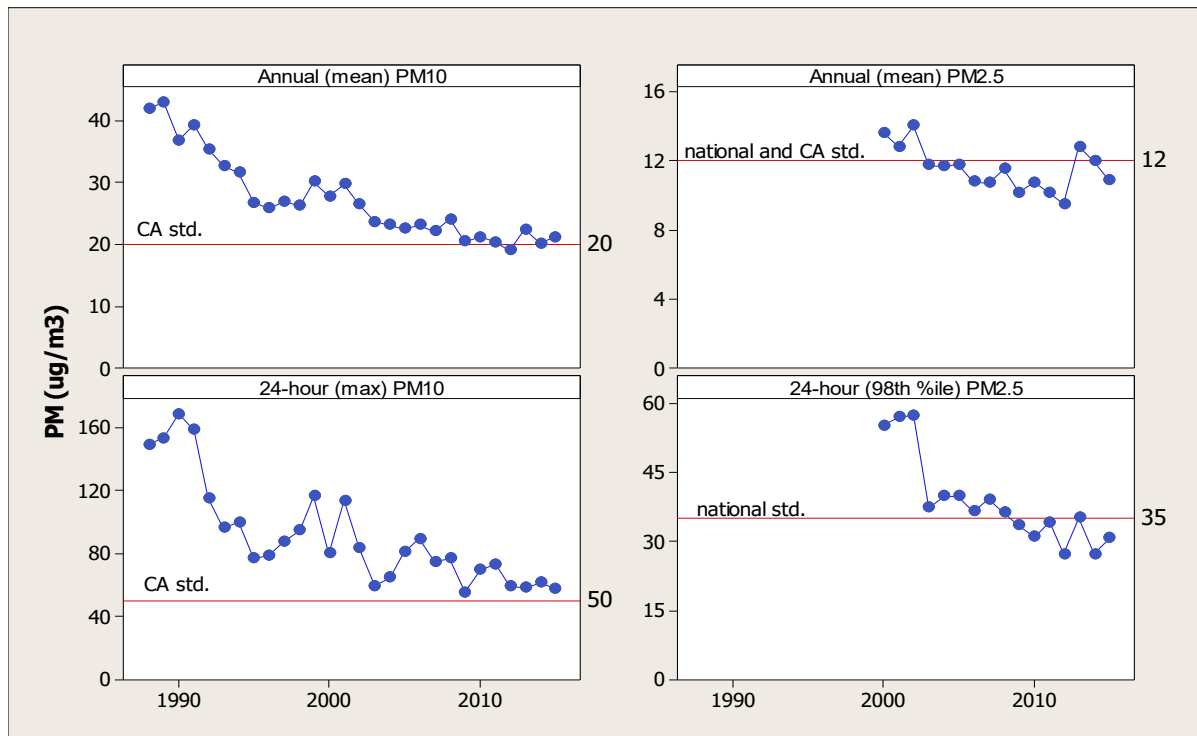
Source: BAAQMD, 2017

Particulate Matter

For particulate matter, ambient air quality standards have been established for both PM₁₀ and PM_{2.5}. California has standards for average PM₁₀ concentrations over 24-hour periods and over the course of an entire year, which are 50 and 20 µg/m³, respectively. (The notation “µg/m³” means micrograms of pollutant per cubic meter of ambient air.) For PM_{2.5}, California only has a standard for average PM_{2.5} concentrations over a year, set at 12 µg/m³, with no 24-hour-average standard. Conversely, EPA has established federal PM_{2.5} standards for both annual-average and 24-hour-average concentrations, but only has a 24-hour-average standard for PM₁₀. The federal standards are 12 µg/m³ for annual-average PM_{2.5}, 35 µg/m³ for 24-hour-average PM_{2.5}, and 150 µg/m³ for annual-average PM₁₀.

The Bay Area is in compliance with all of the federal particulate matter standards,² but it is out of compliance with the state standards. As with ozone, however, the region has made significant progress in reducing particulate matter concentrations and in approaching compliance with all applicable standards. Figure 3-3 shows regional particulate matter concentrations for both PM₁₀ and PM_{2.5}, relative to the applicable California and national standards.

FIGURE 3-3: Bay Area PM Trends Relative to National and California Standards



Source: BAAQMD, 2017

² The Bay Area is still administratively designated as “non-attainment” for the federal 24-hour PM_{2.5} standard. However, EPA has determined that actual PM_{2.5} concentrations throughout the region have met the standard as a matter of fact. Thus, the air in the Bay Area is in compliance with the standard, even though the region is still designated as a “non-attainment” area. (*Determination of Attainment for the San Francisco Bay Area Nonattainment Area for the 2006 Fine Particle Standard*, Final Rule, 78 Fed. Reg. 1760 (Jan. 9, 2013).)

To show how criteria pollutant concentrations vary across the region, Table 3-2 provides a summary of the highest recorded concentrations of the principal criteria pollutants at each of the 25 air quality monitoring sites throughout the Bay Area. For each site, the table shows the highest concentration observed during 2015, the most recent year for which full data are available, along with the number of days during the year on which the concentration exceeded the relevant air quality standard at that location.

TABLE 3-2
Summary of Maximum Observed Air Pollution Concentrations and Days with Exceedances, 2015

Monitoring Stations	Ozone (ppb)						CO (ppm)			NO ₂ (ppb)			SO ₂ (ppb)			PM ₁₀ (µg/m ³)				PM _{2.5} (µg/m ³)				
	Max 1-Hr	Cal 1-Hr Days	Max 8-Hr	Nat. 8-Hr Days	Cal Days	3-Yr Avg	Max 1-Hr	Max 8-Hr	Nat/Cal Days	Max 1-Hr	Ann Avg	Nat/Cal Days	Max 24-Hr	Ann Avg	Nat/Cal Days	Ann Avg	Max 24-Hr	Nat Days	Cal Days	Max 24-Hr	Nat Days	3-Yr Avg	Ann Avg	3-Yr Avg
<i>North Counties</i>																								
Napa	79	0	69	0	0	61	3.3	1.6	0	43	8	0	0	-	-	-	-	18.6	50	0	0	38.2	1	27
San Rafael	81	0	70	0	0	61	1.4	0.9	0	44	11	0	0	-	-	-	-	16.1	42	0	0	36.3	2	26
Sebastopol*	68	0	62	0	0	*	1.3	0.9	0	37	5	0	0	-	-	-	-	-	-	-	-	29.9	0	*
Vallejo	85	0	70	0	1	61	2.4	1.9	0	44	8	0	0	5	1.7	0	0	-	-	-	-	41.4	3	29
<i>Coast & Central Bay</i>																								
Laney College Freeway*	-	-	-	-	-	-	2.7	1.6	0	106	18	1	0	-	-	-	-	-	-	-	-	37.2	1	*
Oakland	94	0	74	2	2	52	2.4	1.4	0	48	11	0	0	-	-	-	-	-	-	-	-	44.7	1	25
Oakland-West	91	0	64	0	0	49	4.7	2.6	0	57	14	0	0	21.6	3.9	0	0	-	-	-	-	38.7	3	29
Richmond	-	-	-	-	-	-	-	-	-	-	-	-	-	12	2.8	0	0	-	-	-	-	-	-	-
San Francisco	85	0	67	0	0	48	1.8	1.3	0	71	12	0	0	-	-	-	-	19.2	47	0	0	35.4	0	25
San Pablo	84	0	62	0	0	55	2	1.1	0	46	9	0	0	10.7	2.4	0	0	18.6	43	0	0	33.2	0	27
<i>Eastern District</i>																								
Bethel Island	80	0	72	1	2	66	1.1	0.9	0	29	5	0	0	8.8	1.9	0	0	13.6	33	0	0	-	-	-
Concord	88	0	73	2	4	64	1.4	1.3	0	33	7	0	0	6.7	2	0	0	13.1	24	0	0	31	0	23
Crockett	-	-	-	-	-	-	-	-	-	-	-	-	-	20.5	3.7	0	0	-	-	-	-	-	-	-
Fairfield	84	0	72	1	1	63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Livermore	105	1	81	7	7	73	-	-	-	50	10	0	0	-	-	-	-	-	-	-	-	31.1	0	28
Martinez	-	-	-	-	-	-	-	-	-	-	-	-	-	14.7	4.8	0	0	-	-	-	-	-	-	-
Patterson Pass*	99	4	82	5	6	*	-	-	-	19	3	0	0	-	-	-	-	-	-	-	-	-	-	-
San Ramon	106	1	84	6	6	70	-	-	-	37	6	0	0	-	-	-	-	-	-	-	-	-	-	-
<i>South Central Bay</i>																								
Hayward	103	2	84	2	2	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Redwood City	86	0	71	1	1	59	3.4	1.6	0	48	11	0	0	-	-	-	-	-	-	-	-	34.6	0	24
<i>Santa Clara Valley</i>																								
Gilroy	95	1	78	3	3	67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42.2	2	18
Los Gatos	100	1	84	4	5	67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
San Jose	94	0	81	2	2	63	2.4	1.8	0	49	13	0	0	3.1	1.1	0	0	22	58	0	1	49.4	2	30
San Jose Freeway*	-	-	-	-	-	-	2.7	2	0	61	18	0	0	-	-	-	-	-	-	-	-	46.9	1	*
San Martin	98	1	83	4	4	70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*Air monitoring at Sebastopol began in January 2014. Therefore, 3-year average statistics for ozone and PM_{2.5} are not available. The Sebastopol site replaced the Santa Rosa site which closed on December 13, 2013.

Ozone monitoring using the federally accepted method began at Patterson Pass on April 1, 2015. Therefore, 3-year average ozone statistics are not available.

Near-road air monitoring at Laney College Freeway began in February 2014. Therefore, 3-year average PM_{2.5} statistics are not available.

Near-road air monitoring at San Jose Freeway began in September 2014. Therefore, 3-year average PM_{2.5} statistics are not available.

ppb = parts per billion; ppm = parts per million; µg/m³ = micrograms per cubic meter

Localized Air Quality Concerns

Localized air quality concerns are addressed by evaluating the potential for adverse health impacts to sensitive receptors that may be located near an emissions source. Local air quality concerns are driven by so-called toxic air contaminants (TACs), along with PM_{2.5}.

Toxic Air Contaminants

TACs are chemicals that can be hazardous even at relatively low levels, and so they can present a concern for any sensitive receptors that may be located near to where they are emitted. A full list of the TACs of concern in the Bay Area can be found in Table 2-5-1 in Air District Regulation 2, Rule 5. (Federal regulations use the term hazardous air pollutants, or “HAPs”, which covers essentially the same universe of air pollutants.)

The Air District measures concentrations of the most important TACs at each of its 25 monitoring sites throughout the Bay Area. Table 3-3 lists the maximum concentrations observed at any of the monitors in 2014, the most recent year for which data are available, as well as the mean (arithmetic average) for the entire year. Table 3-4 summarizes the mean TAC concentrations observed at each individual monitoring location for 2014.

TABLE 3-3
Summary of 2014 Air Toxics Monitoring Data

Compound	Maximum Observed Concentration (ppb)	Mean Concentration (ppb)
1,3-Butadiene	0.375	0.0439
Acetaldehyde	5.83	1.11
Acrolein	2	0.205
Benzene	28.1	0.594
Carbon Tetrachloride	0.149	0.0962
Chloroform	0.109	0.0273
Dichloromethane	1.62	0.226
Ethylbenzene	11	0.262
Ethylene Dibromide	0	0
Ethylene Dichloride	0.014	0.0000768
Formaldehyde	6.18	2.07
Methyl Chloroform	2.61	0.019
Naphthalene	272	59.7
N-Hexane	17.3	0.668
Styrene	7.03	0.131
Tetrachloroethylene	0.312	0.0143
Toluene	82.4	1.78
Trichloroethylene	0.222	0.00457
Vinyl Chloride	0.021	0.0000366
m/p-Xylene	29.9	0.982
O-Xylene	10	0.368

Source: BAAQMD, 2016

TABLE 3-4
Mean Concentrations of Toxic Air Contaminants in the Bay Area in 2014 (ppb)

Monitoring Station	BENZ	CCl ₄	CHCl ₃	DCM	EBZ	EDB	EDC	PERC	TCE	TOL	VC
Bethel Island	0.117	0.0982	0.0207	0.194	0.0266	0	0.000483	0.00279	0.00128	0.205	0
Concord - Treat Blvd	0.145	0.0933	0.0334	0.195	0.0409	0	0	0.00847	0.000867	0.227	0
Crockett - Kendall Ave	0.0972	0.0954	0.0171	0.204	0.0218	0	0	0.0128	0.000367	0.136	0
Ft. Cronkhite Building 1111	0.0719	0.0929	0.0153	0.175	0.0211	0	0	0.00221	0	0.15	0
Laney College	0.21	0.0943	0.0235	0.208	0.0719	0	0	0.0085	0	0.545	0
Livermore - Rincon Ave.	0.814	0.0976	0.031	0.246	0.459	0	0	0.0204	0	2.84	0
Martinez - Jones St	0.135	0.0952	0.018	0.212	0.042	0	0	0.00272	0	0.252	0
Napa - Jefferson St	0.222	0.0989	0.0401	0.269	0.0772	0	0	0.00876	0.00193	0.505	0
Oakland - International	0.251	0.103	0.0332	0.217	0.0969	0	0	0.0164	0.00847	0.612	0
Oakland West	0.215	0.102	0.0295	0.257	0.0914	0	0	0.0134	0.00473	0.536	0
Patterson Pass - PAMS	0.373	NA	NA	NA	0.106	NA	NA	NA	NA	0.713	NA
Redwood City	0.278	0.0983	0.047	0.284	0.194	0	0.000429	0.015	0.0498	0.858	0.00075
Richmond - 7th St	0.135	0.0982	0.0267	0.231	0.0573	0	0	0.0038	0.000333	0.309	0
San Francisco - Arkansas St.	0.189	0.0918	0.025	0.164	0.0907	0	0	0.00867	0.00536	0.378	0
San Jose - Jackson St.	0.253	0.0972	0.0306	0.281	0.121	0	0.000167	0.0493	0.00391	0.664	0
San Jose - Knox Av	0.362	0.0971	0.0305	0.23	0.146	0	0	0.00523	0	0.943	0
San Pablo - Rumrill	0.166	0.0941	0.0256	0.269	0.0674	0	0	0.0031	0	0.412	0
San Rafael	0.164	0.0953	0.023	0.188	0.0469	0	0	0.0123	0.00561	0.433	0
San Ramon	0.62	NA	NA	NA	0.225	NA	NA	NA	NA	1.84	NA
Sebastopol	0.146	0.0922	0.0213	0.23	0.0497	0	0.000138	0.00272	0.00341	0.296	0
Vallejo - Tuolumne St.	0.166	0.0951	0.0262	0.202	0.059	0	0.000143	0.00475	0.000321	0.387	0

(1) BENZ = benzene, CCl₄ = carbon tetrachloride, CHCl₃ = chloroform, DCM = methylene chloride, EBZ = ethyl benzene EDB = ethylene dibromide, EDC = ethylene dichloride, PERC = perchloroethylene, TCE = trichloroethylene, TOL = toluene, and VC = vinyl chloride. NA = Not available.

Source: BAAQMD, 2016.

PM_{2.5}

In addition to TACs, local air quality concerns are also driven by PM_{2.5}. PM_{2.5} is not formally identified as a TAC, but it nevertheless has toxic health impacts – especially in the form of diesel PM emitted from heavy-duty trucks and other diesel-powered equipment. Thus, in addition to being a criteria pollutant subject to regional air quality standards, it is also an important local air pollution concern. If there are sensitive receptors located nearby to a large PM_{2.5} emissions source – especially if it is diesel PM – then those receptors could be exposed to significant health risks locally, even if the emissions do not result in concentrations exceeding the regional ambient air quality standards. Current trends in PM_{2.5} levels in the Bay Area are discussed above in connection with criteria pollutants. (See Figure 3-3 and Table 3-2.)

Assessing Health Risks

Health risk from exposure to these air pollutants is measured in two ways, one addressing carcinogenic health effects and one addressing non-carcinogenic health effects.

- *Non-Carcinogenic Health Effects*

For health problems other than cancer – i.e., non-carcinogenic health effects – exposure of a sensitive receptor to toxic air contaminants is measured against established “Reference Exposure Levels,” which are levels that have been set by the California Office of Environmental Health Hazard Assessment (OEHHA). OEHHA sets these Reference Exposure Levels based on scientific and medical evidence showing that exposures below these levels do not result in adverse health impacts. The Reference Exposure Levels also have built-in margins of safety to ensure that exposures below those levels are indeed safe. Table 2-5-1 in Air District Regulation 2, Rule 5 lists the various Reference Exposure Levels that have been established for each TAC.

Health impacts from exposure to TACs are assessed by comparing the measured or modeled exposure of sensitive receptors near an emissions source to the applicable Reference Exposure Level to calculate a “Hazard Index”, which is the ratio of the sensitive receptor’s exposure to the Reference Exposure Level. Thus, if the sensitive receptor is exposed at half the Reference Exposure Level, the Hazard Index is 0.5; if the exposure is at exactly the Reference Exposure Level, the Hazard Index is 1; if the exposure is twice the Reference Exposure Level, the Hazard Index is 2; etc. Where the sensitive receptor may be exposed to multiple TACs, an individual Hazard Index calculation is undertaken for each individual TAC, and then the results are summed to give a total Hazard Index that is used to assess the total risk to the sensitive receptor for non-carcinogenic health impacts.

This Hazard Index approach is used for both short-term (“acute”) and long-term (“chronic”) toxic health impact concerns. It is important to consider both acute and chronic health impacts, because there could be situations where exposure levels are low enough that they do not cause any immediate health problems, but the exposure continues for a long period of time and creates health risks that way. Conversely, there could be situations where the receptor is exposed only for a short period of time, but at levels high enough to cause acute health problems. Health risk assessments therefore typically calculate a Hazard Index for both acute risk and chronic risk. If the Hazard Index is below 1 for both acute and chronic risk, that is an indication that the exposure does not

present any health concerns. If the Hazard Index is above 1 for either acute or chronic risk, that is an indication that the exposure is in the range where one could potentially start to observe adverse health outcomes.

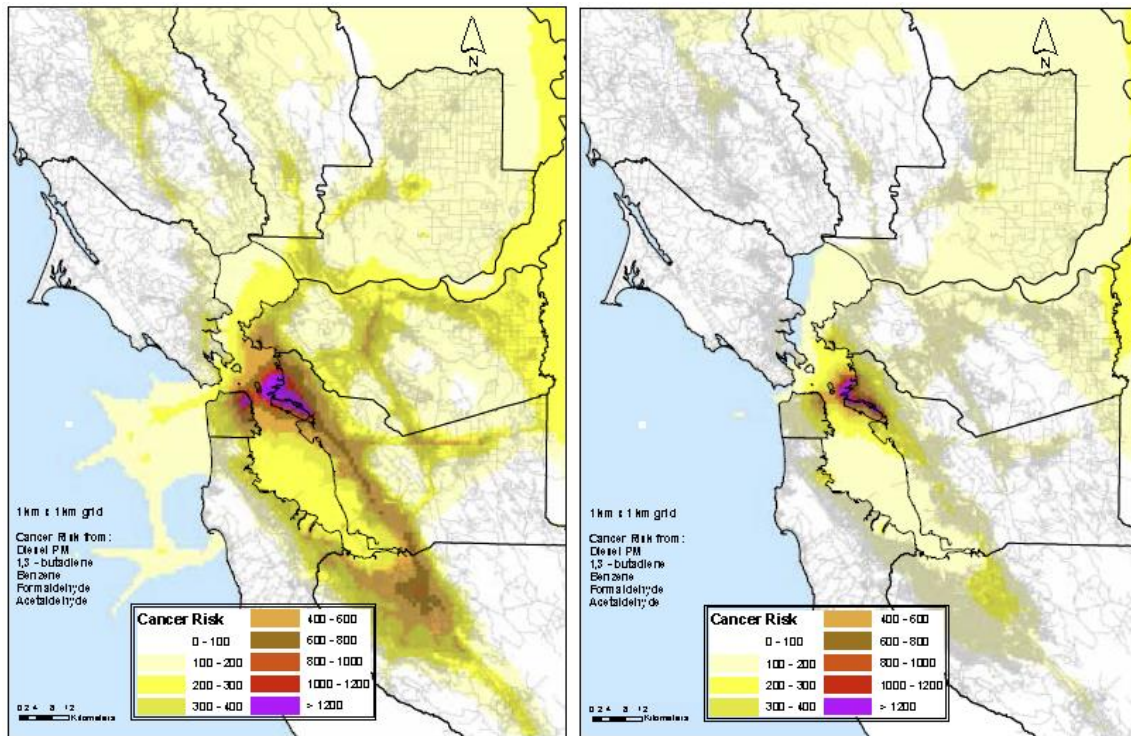
The chronic and acute Hazard Index is typically below 1 at most locations throughout the Bay Area, meaning that existing background TAC levels are not expected to cause any observable non-carcinogenic health effects. But there is always a concern with new sources of TAC emissions that they could expose sensitive receptors to TAC concentrations that would increase the Hazard Index above 1. The Air District addresses this concern by conducting health risk assessments of new TAC emissions, as well as applying other regulatory requirements as discussed in more detail below.

- *Carcinogenic Health Effects*

For air pollutants that cause cancer – i.e., carcinogenic health effects – there is no absolutely “safe” exposure level below which there will not be any cancer-causing effect. With carcinogenic effects, lowering the exposure level reduces the probability of developing cancer, but there is no level of exposure below which the risk falls completely to zero. Carcinogenic effects are therefore evaluated by assessing the additional risk that a sensitive receptor will develop cancer as a result of exposure to the air pollutant if they are exposed over their entire lifetime (assumed to be 70 years). The risk level is expressed as the number of additional cancers that would be expected out of a population of one million people exposed to an air pollutant at a given level for 70 years.

Existing carcinogenic risk from toxic air contaminants varies throughout the Bay Area. Air District staff have used computer models to assess the respective carcinogenic risk at different locations, taking into account TAC emissions as well as particulate matter. Specifically, District staff modeled the carcinogenic risk from emissions of the four highest-risk TACs plus diesel PM. Figure 3-4 shows the results of this evaluation. Areas with lower risk are identified by lighter coloring, which corresponds to exposure levels that would be expected to cause around 100 or 200 additional cancers if one million people were exposed to that level for 70 years. Areas with higher risk identified by darker coloring, which corresponds to exposure levels that would be expected to cause 1,000 or more additional cancers if one million people were exposed to that level for 70 years. These areas are predominantly located in highly developed dense urbanized areas near high-volume roadways and other sources of diesel PM.

FIGURE 3-4: Potential Cancer Risk from Toxic Air Contaminants for the Bay Area in 2005 (left) and 2015 (right)



Source: BAAQMD, 2014

Regulatory Background

Criteria Pollutants

Criteria pollutants are regulated using a planning approach, in which the Air District develops regional plans to attain and maintain the various state and federal ambient air quality standards. These regional clean air plans identify the extent of the air quality challenges in the region and the amount of emission reductions that will be necessary to bring air pollution down to below the applicable air quality standards, and they outline various measures that the Air District and other authorities will implement in order to obtain those reductions. These measures can include adopting mandatory regulations that will force individual facilities to reduce emissions from specific types of equipment, as well as voluntary programs in which the District or other agencies offer incentives to businesses and individuals reduce their emissions, among other types of measures. Once the Air District has adopted a plan, it then goes forward to implement the plan and obtain the emission reductions and associated air quality improvements. The Air District adopted its most recent Clean Air Plan, entitled *Spare the Air, Cool the Climate*, in April of 2017.

The Air District is required to implement this planning effort to attain and maintain the applicable ambient air quality standards under both federal and California law. The federal Clean Air Act requires the District to adopt plans aimed at attaining and maintaining the federal National Ambient Air Quality Standards, which the District must submit (through CARB) for review and

approval by EPA. The California Clean Air Act imposes similar requirements, but they are aimed at attaining and maintaining the California standards.

Once the District has adopted these plans, it implements them by adopting regulations and taking other steps as outlined in the plans. The Air District uses its authority under Health & Safety Code sections 40001, 40702, and 40910 *et seq.*, as well as other statutory provisions, to adopt regulations requiring stationary sources to take certain measures to limit their emissions. These regulations can be found on the Air District's rulebook at www.baaqmd.gov/rules-and-compliance/current-rules. The Air District also uses its authority under the Health and Safety Code to provide grants and other incentives to encourage voluntary steps to reduce emissions, as well as providing leadership and advocacy to help encourage sound air quality policy choices throughout all sectors of the Bay Area's economy.

The New Source Review program that is the subject of the proposed amendments is an important aspect of this planning approach to attain and maintain the applicable air quality standards. New Source Review addresses the potential for increases from new and modified sources to hinder the District's efforts to reduce emissions from existing sources as outlined in its clean air plans. As required under the federal and California Clean Air Acts, the New Source Review program controls emissions growth from new and modified sources so that it does not stand in the way of attaining and maintaining the applicable air quality standards.

EPA has also adopted complementary standards called New Source Performance Standards that apply to new and modified sources in a number of source categories. These New Source Performance Standards are set forth in 40 C.F.R. Part 60. To date, EPA has adopted nearly 100 different New Source Performance Standards.

With respect to mobile sources, California imposes stringent motor vehicle emissions standards and fuel standards to address criteria pollutant emissions of concern. The Metropolitan Transportation Commission also implements measures designed to reduce emissions from the Bay Area's transportation infrastructure.

Toxic Air Contaminants

Toxic air contaminants emitted from stationary-source facilities are regulated using a two-fold approach, which (i) requires sources to limit their TAC emissions using pollution control equipment or other technological approaches, and (ii) requires a health risk assessment for nearby sensitive receptors to ensure that the TACs that are emitted do not create unacceptable health risks for nearby sensitive receptors.

With respect to regulations on TAC emissions, EPA has promulgated a suite of New Source Emissions Standards for Hazardous Air Pollutants (NESHAPs) for various different source categories. These standards require sources of hazardous air pollutants located at major facilities to meet emissions limitations reflecting the maximum degree of emission reduction that EPA has determined is achievable for their particular source category, taking into account cost, non-air-quality health and environmental impacts, and energy requirements. These standards are also known as Maximum Achievable Control Technology standards, or "MACT" standards. A full

listing of EPA's NESHAPs can be found at www.epa.gov/stationary-sources-air-pollution/national-emission-standards-hazardous-air-pollutants-neshap-9. Similarly, CARB has adopted a series of emissions standards called Airborne Toxic Control Measures (ATCMs) that limit TAC emissions. A full listing of CARB's ATCMs can be found at www.arb.ca.gov/toxics/atcm/atcm.htm. The Air District has also adopted additional standards of its own for certain TACs, which are set forth in District Regulation 11.

With respect to preventing unacceptable health risks for nearby sensitive receptors, these concerns are addressed primarily through California's Air Toxics "Hot Spots" Act, in Health and Safety Code section 39660 *et seq.* (also referred to as "AB 2588"). The Air Toxics Hot Spots Act requires stationary-source facilities to periodically inventory all of their TAC emissions and conduct a Health Risk Assessment to evaluate the health risks to neighboring sensitive receptors as a result of those emissions. Facilities are required to notify the public if the Health Risk Assessment shows any significant adverse health impacts, and they must also prepare and implement risk reduction plans in an effort to reduce risks from their TAC emissions to less-than-significant levels. The Air District implements the Air Toxics Hot Spots Act within the Bay Area as part of the District's Air Toxics Control Program. The Air District also has a stringent New Source Review program for toxics, in District Regulation 2, Rule 5, which requires facilities to demonstrate that any new or modified TAC sources will not create unacceptable health risks in order to obtain a permit.

Finally, in addition to these regulatory programs, the Air District also implements an important program called the Community Air Risk Evaluation (CARE) program to help identify and address areas within the region that have the greatest localized air pollution concerns along with populations that are the most vulnerable to air pollution's impacts. The CARE program has brought together government, communities and businesses in an effort to understand and address localized areas of elevated air pollution and its adverse health impacts on communities. The Air District uses information from the CARE program to develop and implement targeted risk reduction programs, including grant and incentive programs, community outreach efforts, collaboration with other governmental agencies, model ordinances, new regulations for stationary sources and indirect sources, and advocacy for additional legislation.

Significance Criteria

The Air District evaluates the air quality impacts of the proposed amendments using the following thresholds of significance.

Regional Air Pollution Concerns:

For regional air pollution concerns, air quality impacts are "significant" if regional pollutant levels exceed the applicable ambient air quality standards adopted by CARB and EPA. If the amount of air pollution in the ambient air exceeds these standards, the Air District considers that to be a "significant" impairment of air quality.

For regional air pollution, air quality exceeding the applicable ambient air quality standards is primarily a cumulative problem. It is highly unlikely that any individual project by itself will generate air pollution concentrations that exceed the standards. But emissions from a large number

of individual projects all throughout the Bay Area can combine together to cause pollution levels to exceed the standards, thereby creating a significant cumulative air quality impact.

That is the situation currently in the Bay Area with respect to two pollutants, ozone and particulate matter. Emissions from many sources throughout the region, while individually limited, are causing significant cumulative impacts on air quality – i.e., high levels of ozone and particulate matter exceeding the applicable standards. For all other regional pollutants, air quality is not significantly impacted because current air quality is well within the applicable standards, and is projected to continue to improve.

An individual project must be treated as significant under CEQA if its incremental contribution to a significant cumulative problem is “cumulatively considerable.” (CEQA Guidelines 15064(h).) If the project will not result in any net emissions increase regionally, then it will have no impact on the region’s ozone and particulate matter non-attainment. If the project will result in only a minimal increase that is not “cumulatively considerable,” then it will be considered to be having a less-than-significant impact. Under Guidelines Section 15064(h)(3), a project will be less than “cumulatively considerable” – and thus not significant under CEQA – if it will be consistent with a previously-approved plan for attainment or maintenance of the applicable air quality standards.

Localized Air Pollution Concerns:

The District evaluates localized non-carcinogenic and carcinogenic air toxics impacts using the following thresholds.

Non-Carcinogenic Toxic Risk Impacts

For non-carcinogenic air toxics concerns, the threshold for a “significant” air quality impact is exposure of sensitive receptors to an acute or chronic toxic risk exceeding a Hazard Index of 1. As discussed above, a Hazard Index of less than 1 means that the exposure is below the level at which any observable health impacts would be expected to occur. If the Hazard Index exceeds 1, the exposure is at a level at which adverse health impacts could start to be seen.³ If the amount of toxic air contaminants in the ambient air is exposing any sensitive receptors to a Hazard Index over 1, the Air District considers that to be a “significant” impairment of air quality.

Toxic air contaminants causing non-carcinogenic risk with a Hazard Index exceeding 1 can result from individual projects or from multiple projects in combination with each other. If a project’s TAC emissions will generate a toxic risk with a Hazard Index over 1 all by themselves, the project will be considered to be causing an individually significant air quality impact. If the project’s TAC emissions will not cause a Hazard Index over 1, but will combine with TACs emitted from existing sources and any current or probable future projects to cause a total Hazard Index over 1, the project

³ Note that the Reference Exposure Levels (RELs) on which the Hazard Index value is based incorporate substantial safety margins – normally an order of magnitude – to allow for uncertainties in the scientific studies on which the RELs are based, variability in the sensitivity of people that might be exposed, etc. Exceeding a Hazard Index of 1 by a small amount therefore does not necessarily mean that health impacts will be seen. It does mean, however, that the exposure is starting to encroach upon the margin of safety provided, which raises concerns that the exposure is reaching the level at which health impacts could start to arise.

will be contributing to a significant cumulative air quality impact. The Air District considers any incremental contribution to a Hazard Index exceeding 1 to be “cumulatively considerable.” If existing TAC emissions sources are causing a Hazard Index exceeding 1, any project that adds any additional incremental risk will be making a “cumulatively considerable” contribution to the significant cumulative impact, and will thus be considered significant under CEQA.

Carcinogenic Toxic Risk Impacts

For carcinogenic air toxics concerns, the threshold for a “significant” air quality impact is a lifetime cancer risk of 100 additional cancers per million people exposed. That is, concentrations of toxic air contaminants in the ambient air are considered “significant” if they exceed a level at which, if one million people were exposed to that air over a 70-year lifetime, 100 of them would be expected to develop cancer as a result. This is the level of carcinogenic risk found in the cleanest areas in the Bay Area. The Air District’s goal is for all areas within the region to be able to enjoy air quality as clean as those cleanest areas. Thus, any level of carcinogenic risk higher than the 100-in-one-million risk found in the cleanest areas is considered a significant air quality impact.

This means that there currently is a significant cumulative carcinogenic air quality impact in nearly all of the developed parts of the Bay Area. This is because emissions of air toxics from existing sources are currently causing the level of carcinogenic risk to exceed the 100-in-one-million significance threshold. Where there are such significant cumulative impacts, projects are considered to be making a “cumulatively considerable” incremental contribution to the significant cumulative impact if they will add an additional cancer risk of 10 in one million. 10 in one million is a long-standing threshold that regulatory agencies have used to establish the incremental level of additional risk from a new project that is considered acceptable in the context of total carcinogenic risks from breathing the ambient air. It is also supported by EPA guidance for conducting air toxic risk analyses and making risk management decisions with respect to new projects.

Thus, if a new project’s carcinogenic TAC emissions will cause any sensitive receptors to be exposed to carcinogenic risk exceeding 100 in one million all by themselves, the project will be considered individually significant under CEQA. If the project’s carcinogenic TAC emissions are contributing to a cumulative risk exceeding 100 in one million when added to existing background risk plus any risk that will be added by current or probable future projects, then the project will be making a “cumulatively considerable” contribution to that significant cumulative impact – and will thus be considered significant under CEQA – if the project’s incremental contribution exceeds 10 in one million.

Discussion of Impacts

III a. The proposed amendments are not expected to conflict with or obstruct implementation of the applicable air quality plan. The applicable air quality plan is the Air District’s recently-adopted 2017 Clean Air Plan, *Spare the Air, Cool the Climate*. The Plan outlines a strategy for achieving the Bay Area’s clean air goals by reducing emissions of ozone precursors, particulate matter, TACs and other pollutants in the region. The proposed amendments will not conflict with or obstruct

implementation of the 2017 Clean Air Plan, they will help achieve the Plan's goals by ensuring that the NSR and Title V programs can function effectively from a legal and practical standpoint. The proposed amendments will enhance the legal basis for the Air District's programs by ensuring that they are consistent with the federal Clean Air Act, which will allow EPA to fully approve them. The proposed amendments will enhance the practical functioning of the programs by clarifying how various provisions will be implemented. All of these technical and administrative amendments will therefore help promote the goals of the Clean Air Plan by allowing the NSR and Title V programs to achieve the air quality benefits associated with those programs.

III b and c. The proposed amendments are not expected to result in any net increases in emissions of any pollutants for which air quality standards have been adopted. The amendments are technical and administrative in nature and will not require affected facilities to make any substantial changes to their operations that will increase emissions. As such, the proposed amendments are not expected to cause any violations of any applicable air quality standards, or to result in any cumulatively considerable contribution to any existing or projected violation of any standard. With no increase in emissions, the proposed amendments will have no adverse impacts on compliance with applicable air quality standards.

III d. The proposed amendments are not expected to result in any increases in emissions of any TACs. The amendments are technical and administrative in nature and will not require affected facilities to make any substantial changes to their operations that will increase any TAC emissions. The proposed amendments are therefore not expected to cause any sensitive receptors to be exposed to non-carcinogenic health risks with an acute or chronic Hazard Index exceeding 1. To the extent that any regulated facilities may be located in an area where the existing acute or chronic Hazard Index exceeds 1 (or is projected to exceed 1 based on other current or future projects), the proposed amendments will not result in any increase TAC emissions that would increase this risk, so the proposed amendments would not be making a cumulatively considerable contribution to that significant health risk.

With respect to carcinogenic risk, although nearly all developed areas in the Bay Area where regulated facilities are located are impacted by a significant carcinogenic health risk based on emissions from existing sources, the proposed amendments will not make a cumulatively considerable contribution to that existing significant impact. The proposed amendments are not expected to result in any increased emissions, and so they are not expected to cause an increase in the cancer risk that any sensitive receptor is exposed to by more than 10 in one million, which is the level at which the Air District considers the contribution to be cumulatively considerable.

III e. The proposed technical and administrative revisions to the NSR and Title V rules will not require affected facilities to make any substantial changes to their operations and are not expected to result in any increase in odorous emissions from any facilities.

Conclusion

Based upon these considerations, no significant adverse air quality impacts are expected from the proposed revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
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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 Wildlife or U.S. Fish and Wildlife Service? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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 Wildlife or U.S. Fish and Wildlife Service? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Have a substantial adverse effect on federally protected wetlands as defined by §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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) Conflicting with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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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. A wide variety of biological resources are located within the Bay Area.

A complex interaction of soils, topography, and climate in the Bay Area supports numerous natural communities comprised of a diversity of vegetative types that provide habitat for a diverse number of plant and wildlife species. Broad habitat categories in the region include grasslands, coastal scrubs and chaparral, woodlands and forests, riparian systems and freshwater aquatic habitat, and wetlands. Extensive aquatic resources are provided by the San Francisco Bay Delta estuary, as well as numerous other rivers and streams. Urban and otherwise highly disturbed habitats, such as agricultural fields, also provide natural functions and values as wildlife habitat (ABAG, 2013).

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 Wildlife, 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 Wildlife 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.

Significance Criteria

The proposed project impacts on biological resources will be considered significant if:

- The project results in a loss of plant communities or animal habitat considered to be rare, threatened or endangered by federal, state or local agencies.
- The project interferes substantially with the movement of any resident or migratory wildlife species.
- The project adversely affects aquatic communities through construction or operation of the project.

Discussion of Impacts

IV a, b, c and d). The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the

NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Any new development potentially affecting biological resources would not be as a result of the proposed rule amendments and approval of those projects including evaluation of their potential biological impacts would occur regardless of the proposed amendments to Regulation 2.

Since construction activities are not expected, the rule amendments would not affect sensitive biological resources directly or indirectly, impact riparian habitats, protected wetlands, marshes, or vernal pools, coastal wetlands and would not conflict with local policies or ordinances protecting biological resources or an adopted habitat conservation plan.

IV e and f). The proposed amendments are not expected to affect land use plans, local policies or ordinances, or regulations protecting biological resources such as a tree preservation policy or ordinances for the reasons already given. Land use and other planning considerations are determined by local governments and land use or planning requirements are not expected to be altered by the proposed project. Similarly, the proposed rule amendments are not expected to affect any habitat conservation or natural community conservation plans, agricultural resources or operations, and would not create divisions in any existing communities.

Conclusion

Based upon these considerations, no significant adverse impacts to biological resources are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 facilities affected by the proposed rule amendment are located in areas zoned as commercial, industrial, or institutional, which have primarily been graded to accommodate 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 §§50020.1(k) and 5024.1(g).

Significance Criteria

The proposed project impacts to cultural resources will be considered significant if:

- The project results in the disturbance of a significant prehistoric or historic archaeological site or a property of historic or cultural significance to a community or ethnic or social group.
- Unique paleontological resources are present that could be disturbed by construction of the proposed project.
- The project would disturb human remains.

Discussion of Impacts

V a, b, c and d). CEQA Guidelines state that generally, a resource shall be considered ‘historically significant’ if the resource meets the criteria for listing in the California Register of Historical Resources including the following:

- A. Is associated with events that have made a significant contribution to the broad patterns of California’s history and cultural heritage;
- B. Is associated with the lives of persons important in our past;
- C. Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values;
- D. Has yielded or may be likely to yield information important in prehistory or history (CEQA Guidelines §15064.5).

Generally, resources (buildings, structures, equipment) that are less than 50 years old are excluded from listing in the National Register of Historic Places unless they can be shown to be exceptionally important. Implementing the proposed rule amendments affect stationary sources at commercial or industrial facilities. Some affected stationary source facilities may have equipment or structures older than 50 years. However, such equipment does not typically meet the criteria identified in CEQA Guidelines §15064.5(a)(3). Further, the proposed rule amendments are not expected to result in any new development, physical modifications, earth moving or excavation. Since no construction activities are expected, the proposed rule amendments would not adversely affect historical or archaeological resources as defined in CEQA Guidelines §15064.5, destroy

unique paleontological resources or unique geologic features, or disturb human remains interred outside formal cemeteries. Therefore, no impacts to cultural resources are anticipated to occur as a result of the proposed project as no major construction activities are required.

Conclusion

Based upon these considerations, no significant adverse impacts to cultural resources are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
VI. GEOLOGY AND 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 know fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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 on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the California Building Code (1994) (formerly referred to as the Uniform Building Code), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Setting

The Bay Area is located in the natural region of California known as the Coast Ranges geomorphic province. The province is characterized by a series of northwest trending ridges and valleys controlled by tectonic folding and faulting, examples of which include the Suisun Bay, East Bay Hills, Briones Hills, Vaca Mountains, Napa Valley, and Diablo Ranges.

Regional basement rocks consist of the highly deformed Great Valley Sequence, which include massive beds of sandstone inter-fingered with siltstone and shale. Unconsolidated alluvial deposits, artificial fill, and estuarine deposits, (including Bay Mud) underlie the low-lying region along the margins of the Carquinez Strait and Suisun Bay. The estuarine sediments found along the shorelines of Solano County are soft, water-saturated mud, peat and loose sands. The organic, soft, clay-rich sediments along the San Francisco and San Pablo Bays are referred to locally as Bay Mud and can present a variety of engineering challenges due to inherent low strength, compressibility and saturated conditions. Landslides in the region occur in weak, easily weathered bedrock on relatively steep slopes.

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 principle 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 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 reviewing procedures that will reduce losses from ground failure during future earthquakes.

Significance Criteria

The proposed project impacts on the geological environment will be considered significant if:

- Topographic alterations would result in significant changes, disruptions, displacement, excavation, compaction or over covering of large amounts of soil.
- Unique geological resources (paleontological resources or unique outcrops) are present that could be disturbed by the construction of the proposed project.
- Exposure of people or structures to major geologic hazards such as earthquake surface rupture, ground shaking, liquefaction or landslides.
- Secondary seismic effects could occur which could damage facility structures, e.g., liquefaction.
- Other geological hazards exist which could adversely affect the facility, e.g., landslides, mudslides.

Discussion of Impacts

VI a, c, and d). The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant.

Any new development potentially resulting in earthquake hazards would not be as a result of the proposed rule amendments and approval of those projects including evaluation of their potential biological impacts would occur regardless of the proposed amendments to Regulation 2. New construction (including modifications to existing structures) requires compliance with the California Building Code. The California Building Code is considered to be a standard safeguard against major structural failures and loss of life. The goal of the code is to provide structures that will: (1) resist minor earthquakes without damage; (2) resist moderate earthquakes without structural damage, but with some non-structural damage; and (3) resist major earthquakes without

collapse, but with some structural and non-structural damage. The California Building Code basis seismic design on minimum lateral seismic forces (“ground shaking”). The California Building Code requirements operate on the principle that providing appropriate foundations, among other aspects, helps to protect buildings from failure during earthquakes. The basic formulas used for the California Building Code seismic design require determination of the seismic zone and site coefficient, which represent the foundation conditions at the site. Compliance with the California Building Code would minimize the impacts associated with existing geological hazards.

VI b). The Regulation 2 amendments are not expected to result in the construction of any new or modified equipment. Proposed Regulation 2 amendments are not expected to result in substantial soil erosion or the loss of topsoil as no construction activities are expected as a result of the proposed amendments to Regulation 2.

VI e). Septic tanks or other similar alternative wastewater disposal systems are typically associated with small residential projects in remote areas. The proposed amendments to the NSR and Title V programs would affect stationary sources that have existing wastewater treatment systems or which are connected to appropriate wastewater facilities. Further, no increase in water use or wastewater generation is expected. Additionally, facilities affected by the modifications to the Title V program are industrial or commercial facilities that are connected or would be required to be connected to appropriate wastewater treatment facilities and are not expected to rely on septic tanks or similar alternative wastewater disposal systems. Based on these considerations, septic tanks or other alternative wastewater disposal systems are not expected to be impacted by the proposed project.

Conclusion

Based upon these considerations, no significant adverse impacts to geology and soils are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
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VII. GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE. Would the project:

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Setting

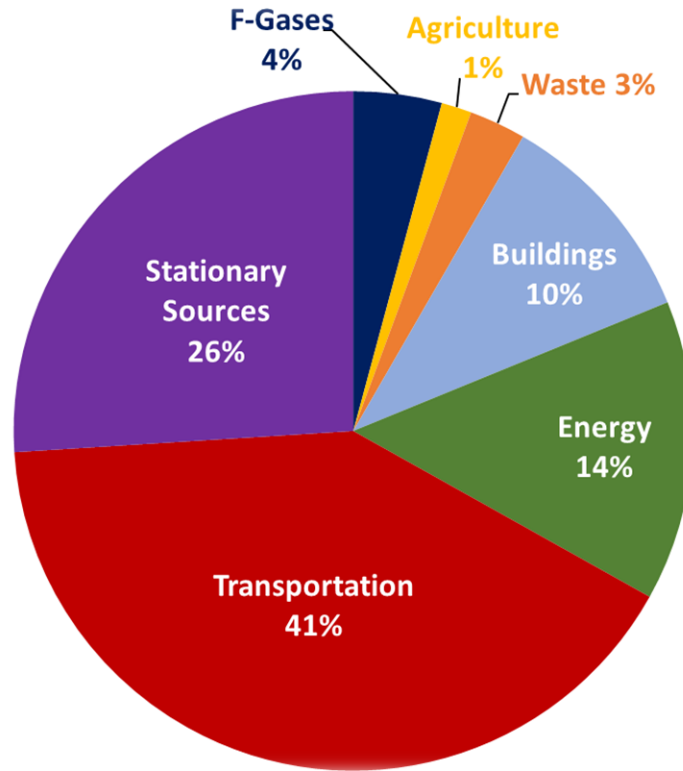
Global climate change refers to changes in average climatic conditions on the earth as a whole, including temperature, wind patterns, precipitation and storms. Global climate change is caused primarily by an increase in levels of greenhouse gases (GHGs) in the atmosphere. The major greenhouse gases are the so-called “Kyoto Six” gases – carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs) – as well as black carbon.⁴ These greenhouse gases absorb longwave radiant energy (heat) reflected by the earth, which warms the atmosphere in a phenomenon known as the “greenhouse effect.” The potential effects of global climate change include rising surface temperatures, loss in snow pack, sea level rise, ocean acidification, more extreme heat days per year, and more drought years.

Increases in the combustion of fossil fuels (e.g., gasoline, diesel, coal, etc.) since the beginning of the industrial revolution have resulted in a significant increase in atmospheric levels of greenhouse gases. CO₂ levels have increased from long-term historical levels of around 280 ppm before the mid-18th century to over 400 ppm today. This increase in greenhouse gases has already caused noticeable changes in the climate. The average global temperature has risen by approximately 1.4°F (0.8°C) over the past one hundred years, and 16 of the 17 hottest years in recorded history have occurred since 2001, according to the National Oceanic and Atmospheric Administration.

Total global greenhouse gas emissions contributing to climate change are in the tens of billions of metric tons of CO₂e per year. The Bay Area’s contribution to the global total is approximately 85 million tons per year. Figure 3-5 presents a breakdown of the region’s greenhouse gas emissions by major source categories. As the table shows, transportation sources generate approximately 40 percent of the total, with the remaining 60 percent coming from stationary and area sources.

⁴ Technically, black carbon is not a gas but is made up of solid particulates or aerosols. It is included in the discussion of greenhouse gas emissions because, like true greenhouse gases, it is an important contributor to global climate change.

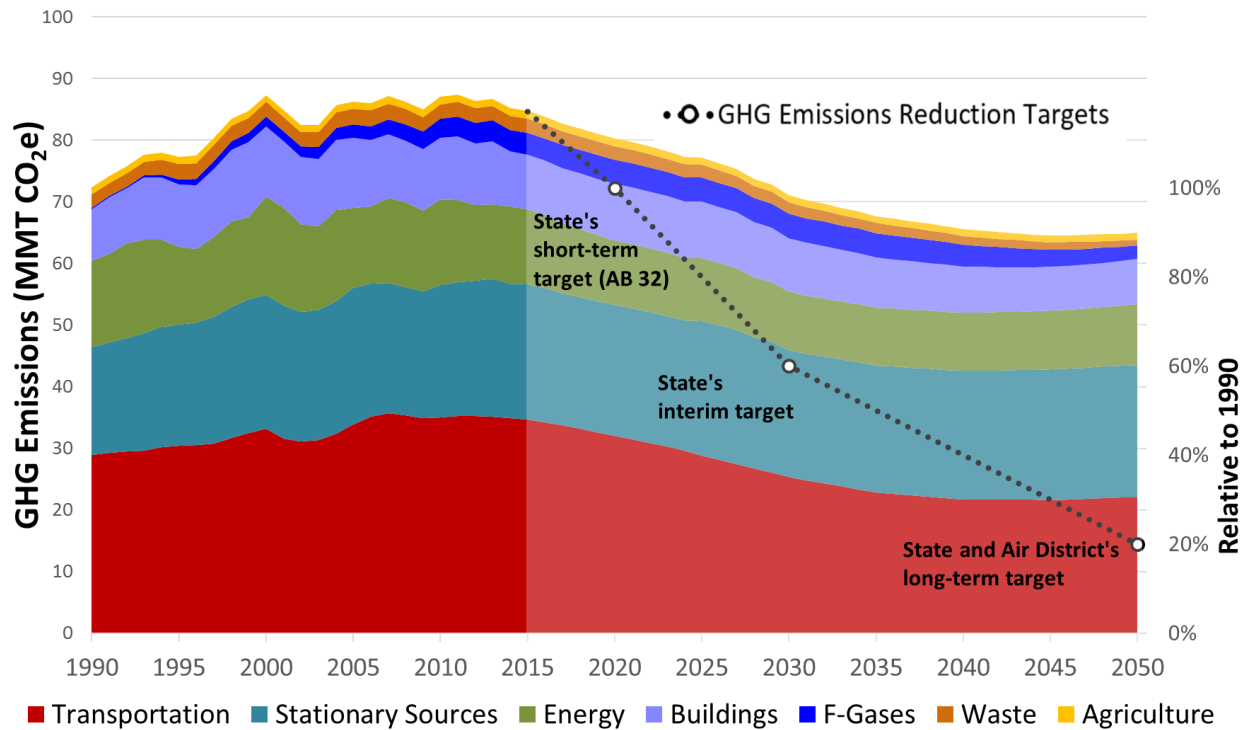
FIGURE 3-5
2015 Bay Area GHG Emissions by Source Category (Total = 85 MMT CO₂e)



Source: BAAQMD, 2017

Historically, regional greenhouse gas emissions rose substantially as the Bay Area industrialized. But emissions have peaked recently, and they are expected to decline in the coming years. Figure 3-6 shows the Bay Area’s total greenhouse gas emissions since 1990, with projections for future emissions through 2050. As the figure shows, emissions are expected to decline in the future as the region continues to shift away from burning fossil fuels and towards renewable energy resources such as wind and solar power. Emissions will need to decline even more than currently projected, however, in order to reach the aggressive targets adopted by California and by the Air District. These greenhouse gas reduction goals are represented by the dashed line on the graph in Figure 3-6.

FIGURE 3-6
Projected Bay Area GHG Emissions by Sector Based on State Policies



Source: BAAQMD, 2017

Regulatory Background

There is a general consensus that global temperature increases must be limited to well under 2°C in order to reduce the risks and impacts of climate change to an acceptable level. This consensus is embodied most notably in the Paris Climate Agreement, in which virtually every nation around the world committed to achieving this global goal. Limiting global climate change to no more than this amount is the lodestar that drives greenhouse gas regulation at every level.

For purposes of the Bay Area, the most important regulatory actions on climate change have been undertaken by the State of California. To fulfill its share of the burden of keeping climate change within acceptable limits, California has committed to reducing its greenhouse gas emissions to 1990 levels by 2020, to 40% below 1990 levels by 2030, and to 80% below 1990 levels by 2050. This commitment is enshrined in AB 32, the Global Warming Solutions Act of 2006, which adopted the 2020 target; in 2016’s SB 32 (Pavley), which adopted the 2030 target; and in Executive Order S-3-05, which adopted the 2050 target. The Air District has adopted the same 80% reduction target for 2050 for the Bay Area’s greenhouse gas emissions, in Board of Directors Resolution 2013-11.

To achieve these emission reduction goals, the California legislature has directed the California Air Resources Board (CARB) to develop a Scoping Plan setting forth regulatory measures that

CARB will implement, along with other measures, to reduce the state's greenhouse gas emissions. One of the principal regulatory measures is CARB's Cap and Trade program, which requires industrial greenhouse gas sources to obtain "allowances" equal to their greenhouse gas emissions. The amount of available allowances is subject to a "cap" on total emissions statewide, which CARB will reduce each year. Regulated facilities will either have to reduce their emissions or purchase allowances on the open market, which will give them a financial incentive to reduce emissions and will ensure that total annual emissions from the industrial sector will not exceed the declining statewide cap.

California has also adopted the so-called "Renewable Portfolio Standard" for electric power generation, which requires that at least 33% of the state's electric power must come from renewable sources by 2020, and at least 50% must come from renewables by 2030. To complement these efforts on electricity generation, the state has also committed to increasing the energy efficiency of existing buildings by 50% by 2050 in order to reduce energy demand.

California has also adopted regulatory measures aimed at reducing greenhouse gas emissions from mobile sources. These measures include the so-called "Pavley" standards for motor vehicle emissions and the state's Low Carbon Fuel Standard, which set limits on the carbon intensity of transportation fuels. California has also adopted SB 375, the Sustainable Communities and Climate Protection Act of 2008, which requires regional transportation and land use planning agencies to develop coordinated plans, called "Sustainable Communities Strategies," to reduce greenhouse gas emissions from the transportation sector by promoting denser development and alternatives to driving. The current Sustainable Communities Strategy for the Bay Area is *Plan Bay Area 2040*, was adopted by the Metropolitan Transportation Commission and the Association of Bay Area Governments in July of 2017.

The Air District supports these statewide goals through action at the regional level. The Air District has committed to reducing the Bay Area's regional greenhouse gas emissions to 80% below 1990 levels by 2050, as noted above. The Air District has also committed to a broad suite of specific measures to address greenhouse gases in the 2017 Clean Air Plan, *Spare the Air, Cool the Climate*. That document lays out the Air District's vision for what the Bay Area may look like in a post-carbon year 2050 and describes policies and actions that the region needs to take in the near- to mid-term to embark on that transformation.

At the federal level, the United States has joined the international community in signing on to the Paris Climate Agreement and its commitment to limit global temperature increases to well under 2°C. The United States has committed under the Paris Agreement to reducing its greenhouse gases by 26%-28% by 2025. EPA has adopted a number of regulatory measures to address greenhouse gas emissions in support of this goal, including emissions standards for cars and light duty trucks and the "Clean Power Plan" regulations setting caps on each state's emissions from the power generation sector. EPA has also extended the federal New Source Review requirements to greenhouse gases, requiring that major stationary sources use the "Best Available Control Technology" to limit their greenhouse gas emissions. The Air District implements this requirement under its NSR program that is the subject of the proposed amendments (*see Regulation 2-2-304*). The current administration has signaled that it will back off on these initiatives, however. If that

occurs, it will place even more emphasis on California, and on regions like the Bay Area, to take the lead in addressing climate change.

Significance Criteria

Global climate change caused by greenhouse gas emissions is the quintessential cumulative environmental impact. The greenhouse gas emissions from any individual project will not have any detectable impact on the global climate all by themselves, but they will contribute to what is indisputably a significant cumulative problem – a problem caused by millions of projects all around the world emitting greenhouse gases that together create a significant cumulative climate impact. Proposed projects are therefore significant for purposes of CEQA if they will be making a cumulatively considerable contribution to the significant cumulative climate impact resulting from greenhouse gas emissions globally. As the California Supreme Court has observed:

With respect to climate change, an individual project’s emissions will most likely not have any appreciable impact on the global problem by themselves, but they will contribute to the significant cumulative impact caused by greenhouse gas emissions from other sources around the globe. The question therefore becomes whether the project’s incremental addition of greenhouse gases is “cumulatively considerable” in light of the global problem, and thus significant.

(*Cleveland National Forest Foundation v. San Diego Association of Governments* (July 13, 2017) ___ Cal. 5th ___, Supreme Court Case No. S223603 (citations omitted).)

If the project will not result in any net greenhouse gas emissions increase, then it will have no impact on global climate change. If the project will result in only a minimal greenhouse gas emissions increase that is not “cumulatively considerable,” then it will be considered to be having a less-than-significant impact. Under Guidelines Sections 15064(h)(3) and 15064.4(b)(3), a project will be less than “cumulatively considerable” – and thus not significant under CEQA – if it will be consistent with plans or regulations adopted to reduce or mitigate greenhouse gas emissions impacts.

Discussion of Impacts

VII a. The proposed amendments are not expected to result in any net increase in greenhouse gas emissions. The amendments are technical and administrative in nature and will not require affected facilities to make any substantial changes to their operations that will increase greenhouse gas emissions. The proposed amendments are therefore not expected to make a cumulatively considerable contribution to the significant cumulative impact caused by greenhouse gas emissions. Thus, there will be no significant greenhouse gas impacts.

VII b. The proposed amendments will not conflict with any plans, policies, or regulations addressing climate change. As discussed above, applicable plans, policies and regulations are aimed at limiting global climate change to well under 2°C, and at reducing regional and state-wide emissions to 80% below 1990 levels by 2050 in order to achieve that goal. The proposed amendments will not conflict with the Bay Area’s progress towards achieving that emission reduction target. The amendments will not require affected facilities to make any substantial

changes and will not increase their greenhouse gas emissions, and they will not conflict with any regulatory efforts to achieve the state and regional greenhouse gas reduction goals under CARB's Scoping Plan, the District's 2017 Clean Air Plan, *Plan Bay Area 2040*, or any other local climate action plan.

Conclusion

Based upon these considerations, no significant adverse GHG impacts are expected from the proposed revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
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VIII. 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) Be located on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code §65962.5 and, as a result, would it create a significant hazard to the public or the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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, and result in a safety hazard for people residing or working in the project area? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) Significantly increased fire hazard in areas with flammable materials? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Setting

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

Facilities and operations within the District handle and process substantial quantities of flammable materials and acutely toxic substances. Accidents involving these substances can result in worker or public exposure to fire, heat, blast from an explosion, or airborne exposure to hazardous substances.

Fires can expose the public or workers to heat. The heat decreases rapidly with distance from the flame and therefore poses a greater risk to workers at specific facilities where flammable materials and toxic substances are handled than to the public. Explosions can generate a shock wave, but the risks from explosion also decrease with distance. Airborne releases of hazardous materials may affect workers or the public, and the risks depend upon the location of the release, the hazards associated with the material, the winds at the time of the release, and the proximity of receptors.

For all facilities and operations handling flammable materials and toxic substances, risks to the public are reduced if there is a buffer zone between process units and residences or if prevailing winds blow away from residences. Thus, the risks posed by operations at a given facility or operation are unique and determined by a variety of factors.

Hazards are related to the risks of fire, explosions, or releases of hazardous substances in the event of accident or upset conditions. Hazards are related to the production, use, storage, and transport of hazardous materials. Industrial production and processing facilities are potential sites for hazardous materials. Some facilities produce hazardous materials as their end product, while others use such materials as an input to their production processes. Examples of hazardous materials used by consumers include fuels, paints, paint thinner, nail polish, and solvents. Hazardous materials may be stored at facilities producing such materials and at facilities where hazardous materials are part of the production processes. Currently, hazardous materials are transported throughout the Bay Area in great quantities via all modes of transportation including rail, highway, water, air, and pipeline.

The potential hazards associated with handling such materials are a function of the materials being processed, processing systems, and procedures used to operate and maintain the facilities where they exist. The hazards that are likely to exist are identified by the physical and chemical properties of the materials being handled and their process conditions, including fires, vapor cloud explosions, thermal radiation, and explosion/overpressure.

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.

Section 112 (r) of the Clean Air Act Amendments of 1990 [42 U.S.C. 7401 et. Seq.] and Article 2, Chapter 6.95 of the California Health and Safety Code require facilities that handle listed regulated substances to develop Risk Management Programs (RMPs) to prevent accidental releases of these substances, U.S. EPA regulations are set forth in 40 CFR Part 68. In California, the California Accidental Release Prevention (CalARP) Program regulation (CCR Title 19, Division 2, Chapter 4.5) was issued by the Governor's Office of Emergency Services (OES). RMPs are documents prepared by the owner or operator of a stationary source containing detailed information including: (1) regulated substances held onsite at the stationary source; (2) offsite consequences of an accidental release of a regulated substance; (3) the accident history at the stationary source; (4) the emergency response program for the stationary source; (5) coordination with local emergency responders; (6) hazard review or process hazard analysis; (7) operating procedures at the stationary source; (8) training of the stationary source's personnel; (9) maintenance and mechanical integrity of the stationary source's physical plant; and (10) incident investigation. California is proposing modifications to the CalARP Program along with the state's PSM program in response to an accident at the Chevron Richmond Refinery. The proposed regulations were released for public comment on July 15, 2016 and the public comment period closes on September 15, 2016. After the close of the comment period a modified version of the proposed regulations was released in February 2017 and the public comment period for comments on the modifications closed on March 3, 2017.

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

Contra Costa County has adopted an industrial safety ordinance that addresses the human factors that lead to accidents. The ordinance requires stationary sources to develop a written human factors program that considers human factors as part of process hazards analyses, incident investigations, training, operating procedures, among others.

Significance Criteria

The proposed project impacts associated with hazards will be considered significant if any of the following occur:

- Non-compliance with any applicable design code or regulation.
- Non-conformance to National Fire Protection Association standards.
- Non-conformance to regulations or generally accepted industry practices related to operating policy and procedures concerning the design, construction, security, leak detection, spill containment or fire protection.
- Exposure to hazardous chemicals in concentrations equal to or greater than the Emergency Response Planning Guideline (ERPG) 2 levels.

Discussion of Impacts

VIII a - b. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Since no new equipment or modifications to existing equipment is expected, the proposed rule amendments are not expected to generate additional hazards at any stationary sources.

Health and Safety Code §25506 specifically requires all businesses handling hazardous materials to submit a business emergency response plan to assist local administering agencies in the

emergency release or threatened release of a hazardous material. Business emergency response plans generally require the following:

- Types of hazardous materials used and their locations;
- Training programs for employees including safe handling of hazardous materials and emergency response procedures and resources.
- Procedures for emergency response notification;
- Proper use of emergency equipment;
- Procedures to mitigate a release or threatened release of hazardous materials and measures to minimize potential harm or damage to individuals, property, or the environment; and
- Evacuation plans and procedures.

Hazardous materials at existing facilities would continue to be used in compliance with established OSHA or Cal/OSHA regulations and procedures, including providing adequate ventilation, using recommended personal protective equipment and clothing, posting appropriate signs and warnings, and providing adequate worker health and safety training. The exposure of employees is regulated by Cal-OSHA in Title 8 of the CCR. Specifically, 8 CCR 5155 establishes permissible exposure levels (PELs) and short-term exposure levels (STELs) for various chemicals. These requirements apply to all employees. The PELs and STELs establish levels below which no adverse health effects are expected. These requirements protect the health and safety of the workers, as well as the nearby population including sensitive receptors.

In general, all local jurisdictions and all facilities using a minimum amount of hazardous materials are required to formulate detailed contingency plans to eliminate, or at least minimize, the possibility and effect of fires, explosion, or spills. In conjunction with the California Office of Emergency Services, local jurisdictions have enacted ordinances that set standards for area and business emergency response plans. These requirements include immediate notification, mitigation of an actual or threatened release of a hazardous material, and evacuation of the emergency area.

The above regulations provide comprehensive measures to reduce hazards of explosive or otherwise hazardous materials. Compliance with these and other federal, state and local regulations and proper operation and maintenance of equipment should ensure the potential for explosions or accidental releases of hazardous materials is not significant. Therefore, the proposed rule amendments are not expected to create a significant hazard to the public or environment.

VIII c. Schools may be located within a quarter mile of commercial, industrial or institutional facilities affected by the proposed amendments to Regulation 2. It would be expected that these facilities are taking the appropriate and required actions to ensure proper handling of hazardous materials, substances or wastes near school sites. The proposed rule amendments would not result in the construction or operation of additional equipment or result in modifications to existing equipment, that would generate hazardous emissions, or result in the handling of hazardous or acutely hazardous materials, substances or waste within one-quarter mile of an existing or

proposed school. Therefore, no increase in hazardous emissions from implementation of the proposed amendments to Regulation 2 would be expected.

VIII d. Government Code §65962.5 requires creation of lists of facilities that may be subject to Resource Conservation and Recovery Act (RCRA) permits or site cleanup activities. Facilities affected by the proposed rule amendments are commercial, industrial, and institutional facilities, some of which may be located on the hazardous materials sites listed pursuant to Government Code §65962.5. The proposed rule amendments are not expected to result in the construction or operation of new equipment or modifications/alterations to existing facilities or equipment. Therefore, the proposed rule amendments would not interfere with site cleanup activities or create additional site contamination, and would not create a significant hazard to the public or environment.

VIII e. No new equipment or modifications/alterations to existing equipment is expected for facilities affected by the proposed rule amendments. The proposed rule amendments would not result in a safety hazard for people residing or working within two miles of a public airport or air strip. Therefore, no significant adverse impacts on an airport land use plan or on a private air strip are expected.

VIII f. Emergency response plans are typically prepared in coordination with the local city or county emergency plans to ensure the safety of the public (surrounding local communities), and the facility employees as well. As explained previously, the proposed rule amendments are not expected to result in the construction or operation of new equipment or modifications/alterations to existing facilities or equipment. Therefore, the proposed rule amendments would not impair implementation of, or physically interfere with any adopted emergency response plan or emergency evacuation plan as no physical facility changes are expected. It is expected that the existing affected facilities already have an emergency response plan in place, where required.

VIII g and h. Facilities affected by the proposed rule amendments may be adjacent to wildlands. The proposed rule amendments are not expected to generate additional development that would place structures closer to wildland areas. It is expected that facilities adjacent to wildland areas take appropriate and required actions to protect their property from wildland fires. The proposed rule amendments would not increase the existing risk of fire hazards in areas with flammable brush, grass, or trees, nor would it increase fire risk by increasing the use of flammable materials. The proposed rule amendments are not expected to expose people or structures to wild fires. Therefore, no significant increase in fire hazards is expected due to the proposed rule amendments.

Conclusion

Based upon these considerations, no significant adverse hazards and hazardous materials impacts are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
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IX. HYDROLOGY AND WATER QUALITY.

Would the project:

a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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 on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the 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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- | | | | | | |
|----|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| i) | Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| j) | Inundation by seiche, tsunami, or mudflow? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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). Reservoirs and drainage streams are located throughout the area within the BAAQMD’s jurisdiction, and discharge into the Bays. Marshlands incised with numerous winding tidal channels containing brackish water are located throughout the Bay Area.

The San Francisco Bay estuary system is one of the largest in the country and drains approximately 40 percent of California. Water from the Sacramento and San Joaquin Rivers of the Central Valley flow into what is known as the Delta region, then into the sub-bays, Suisun Bay and San Pablo Bay, and finally into the Central Bay and out the Golden Gate. The Delta is a large triangle of interconnected sloughs and agricultural “islands” that forms a key link in California’s water delivery system. Some of the fresh water flows through the Delta and into Bay, but much is diverted from the Bay. Nearly half of the surface water in California starts as rain or snow that falls within the watershed and flows downstream toward the Bay. Much of the water flowing toward the Bay is diverted for agricultural, residential, and industrial purposes as well as delivery to cities of southern California as part of state and federal water projects (ABAG, 2013).

The two major drainages, the Sacramento and San Joaquin Rivers receive more than 90 percent of runoff during the winter and spring months from rainstorms and snow melt. San Francisco Bay encompasses approximately 1,600 square miles and is surrounded by the nine Bay Area counties of which seven border the Bay. Other surface waters flow either directly to the Bay or Pacific Ocean. The drainage basin that contributes surface water flows directly to the Bay covers a total area of 3,464 square miles. The largest watersheds include Alameda Creek (695 square miles), the Napa River (417 square miles), and Coyote Creek (353 square miles) watersheds. The San Francisco Bay estuary includes deep-water channels, tidelands, and marshlands that provide a variety of habitats for plants and animals. The salinity of the water varies widely as the landward flows of saline water and the seaward flows of fresh water converge near the Benicia Bridge. The salinity levels in the Central Bay can vary from near oceanic levels to one quarter as much, depending on the volume of freshwater runoff (ABAG 2013).

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 regulations authorize the U.S. EPA to set the pretreatment standards. The regulations also allow the local treatment plants to set more stringent wastewater discharge requirements, if necessary, to meet local conditions.

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 U.S. EPA set initial permit application requirements in 1990. The State of California, through the State Water Resources Control Board, has authority to issue NPDES permits, which meet U.S. EPA requirements, to specified industries.

The Porter-Cologne Water Quality Act is California's primary water quality control law. It implements the state's responsibilities under the Federal Clean Water Act but also establishes state wastewater discharge requirements. The Regional Water Quality Control Board administers the state requirements as specified under the Porter-Cologne Water Quality Act, which include storm water discharge permits. The water quality in the Bay Area is under the jurisdiction of the San Francisco Bay Regional Water Quality Control Board.

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. Enclosed bays are indentations along the coast that enclose an area of oceanic water within distinct headlands or harbor works. San Francisco Bay, and its constituent parts, including Carquinez Strait and Suisun Bay, fall under this category.

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. The beneficial uses of the Carquinez Strait that must be protected which include water contact and non-contact recreation, navigation, ocean commercial and sport fishing, wildlife habitat, estuarine habitat, fish spawning and migration, industrial process and service supply, and preservation of rare and endangered species. The Carquinez Strait and Suisun Bay are included on the California list as impaired water bodies due to the presence of chlordane, copper, DDT, diazinon, dieldrin, dioxin and furan compounds, mercury, nickel, PCBs, and selenium.

Significance Criteria

Water Demand:

- The existing water supply does not have the capacity to meet the increased demands of the project, or the project would use more than 263,000 gallons per day of potable water.

Water Quality:

- The project will cause degradation or depletion of ground water resources substantially affecting current or future uses.
- The project will cause the degradation of surface water substantially affecting current or future uses.
- The project will result in a violation of National Pollutant Discharge Elimination System (NPDES) permit requirements.
- The capacities of existing or proposed wastewater treatment facilities and the sanitary sewer system are not sufficient to meet the needs of the project.
- The project results in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The project results in alterations to the course or flow of floodwaters.

Discussion of Impacts

IX a. and f. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources.

Based on the above, the proposed Regulation 2 and Title V amendments are not expected to require any physical facility modifications and would not require the construction or operation of additional equipment that could generate additional wastewater or result in water quality impacts. Thus, no increase in wastewater discharge or water quality impacts is expected as a result of the proposed project.

IX b. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The proposed modifications are not expected to require the construction of any new or modified equipment, including equipment that would use additional water. Thus, no significant increase in water use is expected as a result of the proposed project and no impacts on groundwater levels would occur.

IX c, d, and e. The proposed amendments to Regulation 2 primarily involve changes to the NSR pre-construction permit program and the Title V Major Facility Review program. The proposed project does not have the potential to substantially increase the area subject to runoff since no construction is expected. Additionally, new facilities are typically expected to develop a SWPPP and existing facilities are required to implement SWPPPs to address storm water impacts. The proposed project is also not expected to alter the 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 as there will be no major construction or significant water use. Therefore, no significant adverse impacts to storm water runoff or existing drainage patterns are expected as a result of the proposed project.

IX g, h, i, and j. The proposed project does not include the construction of new or relocation of existing housing or other types of facilities and, as such, would not require the placement of housing or other structures within a 100-year flood hazard area. (See also XIII “Population and Housing”). No construction is expected as a result of the proposed project and as a result, the proposed project would not be expected to create or substantially increase risks from flooding; expose people or structures to significant risk of loss, injury or death involving flooding; or increase existing risks, if any, of inundation by seiche, tsunami, or mudflow.

Conclusion

Based upon these considerations, no significant adverse impacts to hydrology and water quality are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
X. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 amendments to Regulation 2 would apply to stationary sources located in facilities which are located within commercial, industrial, or commercial areas in 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.

Significance Criteria

The proposed project impacts will be considered significant on land use and planning if the project conflicts with the land use and zoning designations established by local jurisdictions, or any applicable habitat conservation or natural community conservation plan.

Discussion of Impacts

X a-c. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make

the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources.

The proposed rule amendments do not include any components that would require major modifications to existing commercial, industrial, or institutional facilities and would not result in impacts that would physically divide an established community or generate additional development. Construction activities are not expected as a result of the proposed project.

Land uses surrounding industrial areas can vary considerably and include industrial areas, commercial areas, open space, and residential areas. The General Plans and land use plans for areas with industrial land uses, such as Richmond, Martinez, Benicia and Rodeo (Contra Costa County) allow for and encourage the continued use of industrial areas within their respective communities. Some of the General Plans encourage the modernization of existing industrial areas, including the refineries. A summary of the land use policies that apply to industrial areas is summarized for these communities.

1. Richmond General Plan 2030 includes the following land use policies regarding industrial areas (Richmond, 2015).
 - Action LU3.H Industrial Lands Retention and Consolidation Ensure that industrial uses are consolidated around rail and port facilities and work with existing industrial operators, economists and commercial brokers to remain informed about the future demand for industrial land.
 - Action LU3.I Industrial Modernization Support heavy industry's on-going efforts to modernize and upgrade their plants to reduce energy use, increase efficiency and reduce emissions.
2. City of Martinez General Plan includes the following land use policies regarding industrial areas (Martinez, 2015).
 - 21.51 Expansion of the petroleum refining and related industries must proceed in an orderly fashion and be consistent with protection of the community's air, water, scenic and fiscal resources.
 - 30.351 Adequate land for industrial growth and development should be provided. It is the policy of the City to encourage and assist existing industry to relocate away from the southern perimeter of the waterfront.
 - 30.352 The City should consider further annexation to the east of the current Martinez City Limits to provide space for expansion of industry.
 - 30.353 Industrial expansion accompanied by adverse environmental impact will not be permitted.
 - 30.354 Acceptability of any industry shall be based upon its demonstrated ability to conform to performance standards set by the City.

- 30.355 Architecture of some merit and landscaping of building sites and parking areas should be required; according to design and landscaping criteria for industrial sites.
3. City of Benicia General Plan includes the following land use policies regarding industrial areas (Benicia, 2015).
- **POLICY 2.6.1:** Preserve industrial land for industrial purposes and certain compatible “service commercial” and ancillary on-site retail uses.
 - “Compatible,” as defined in the California General Plan Glossary, means “capable of existing together without conflict or detrimental effects.” Compatibility will often be decided on a case-by-case basis by the Planning Commission and City Council.
 - **POLICY 2.6.2:** Other land uses should not adversely affect existing industrial and commercial land uses.
 - Program 2.6.A: Where General Plan amendments propose to convert industrial land to non-industrial or non-commercial uses, require the preparation of a fiscal and economic impact analysis to ensure that the conversion does not adversely affect the city’s long-term economic development, or the economic vitality of existing industrial/commercial uses.
 - Program 2.6.B: Develop criteria for evaluating whether a proposed non-industrial/non-commercial use would impact the viability of existing industrial/commercial uses. Use the criteria to evaluate non-industrial and non-commercial projects proposed in the Industrial Park.
 - **POLICY 2.6.3:** Facilitate continued development of the Industrial Park. Especially encourage general industrial uses to locate in the basin northeast of Downtown (around Industrial Way between East Second and the freeway).
 - Program 2.6.C: For lands designated limited industrial, reduce the length of time and number of steps required for development proposals to proceed, consistent with CEQA, community development policies and ordinances, and the design review process for general industrial lands.
 - **POLICY 2.6.4:** Link any expansion of Industrial land use to the provision of infrastructure and public services that are to be developed and in place prior to the expansion.
 - Program 2.6.D: Continue to update the overall capital improvements program and infrastructure financing plan for the Industrial Park and other major industrial areas.
 - Program 2.6.E: Develop Industrial Park infrastructure and public services standards, as approved by the City Council.
 - **POLICY 2.6.5:** Establish and maintain a land buffer between industrial/commercial uses and existing and future residential uses for reasons of health, safety, and quality of life.
 - Program 2.6.F: Use topography, landscaping, and distance as a buffer between Industrial Park uses and residential uses.
 - A buffer is “adequate” to the extent that it physically and psychologically separates uses or properties so as to shield, reduce, or block one set of properties from noise, light, or other nuisances generated on or by the other set of properties. Buffers will be determined on a case by case basis.
4. Rodeo: The Contra Costa General Plan Land Use Element identifies the following land use policies (CCC, 2015).

- 3.163. A buffer of agricultural lands around the eastern Union Oil (currently Phillips 66) property is created in this plan to separate the viewpoint residential area from future industrial development on the property. These open space lands should remain undeveloped.

Based on a review of the applicable land use plans, the proposed project is not expected to conflict with any applicable land use plan, policy or regulation of an agency with jurisdiction over the project. The jurisdictions with land use approval recognize and support the continued use of industrial facilities. The proposed rule amendments would not interfere with those policies or objectives.

Conclusion

Based upon these considerations, no significant adverse land use impacts are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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.

Regulatory Background

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

Significance Criteria

The proposed project impacts on mineral resources will be considered significant if:

- The project would 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.
- The proposed project results 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.

Discussion of Impacts

XI a-b. The proposed amendments to Regulation 2 are not associated with any action that would 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, or of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan. The proposed rule amendments are designed to make technical and administrative changes to the New Source

Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The proposed amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Therefore, no significant adverse impacts to mineral resources are expected.

Conclusion

Based upon these considerations, no significant adverse impacts to mineral resources are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XII. NOISE. Would the project result in:				
a) Exposure of 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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Setting

The ambient noise environment in the Bay Area is defined by a wide variety of noise sources, with the predominant noise source being traffic. Traffic noise exposure is primarily a function of the volume of vehicles per day (including automobiles, light, medium and heavy trucks, buses, and motorcycles), the speed of those vehicles, the number of those vehicles represented by the noisiest vehicle types (e.g., medium and heavy trucks), the distribution of those vehicles during daytime and nighttime hours, and the proximity of noise-sensitive receivers to the roadway. Existing traffic noise exposure is expected to be as low as 50 dB Ldn in the most isolated and less frequented locations of the Bay Area, while receivers adjacent to interstates are likely to experience levels as high as 75 dB Ldn (FTA, 2006). Bus transit also contributes to roadway noise levels. In San Francisco, a large portion of the transit bus fleet is electrified and, consequently, the contribution of bus transit to localized roadway noise levels is decreased (ABAG, 2013).

The Bay Area is also presently affected by noise from freight and passenger rail operations. While these operations generate significant noise levels in the immediate vicinity of the railways, train operations are intermittent and area railways are widely dispersed. Commuter rail such as SF MUNI and VTA operate with more frequency than standard gauge rail operations but lower speeds resulting in lower noise levels. BART operations, on the other hand, can attain higher speeds and have the potential for greater noise levels along extended stretches. The contribution of rail noise to the overall ambient noise environment in the Bay Area is relatively minor compared to other sources such as vehicle traffic. Train operations may be a source of significant groundborne vibration near the tracks. Vibration sensitive receivers within 100 feet of rail operations may be adversely affected by vibration exposure during train events (ABAG, 2013).

The Bay Area is home to many airports—including public use, private use, and military facilities. Major airports include San Francisco International, Oakland International and Norman Y. Mineta San José International. In addition to the numerous daily aircraft operations originating and terminating at these facilities, aircraft not utilizing these airports frequently fly over the Bay Area. All of these operations contribute to the overall ambient noise environment. In general, like rail noise, the proximity of the receiver to the airport and aircraft flight path determines the noise exposure. Other contributing factors include the type of aircraft operated, altitude of the aircraft, and atmospheric conditions. Atmospheric conditions may contribute to the direction of aircraft operations (flow) and affect aircraft noise propagation (ABAG, 2013).

A wide variety of industrial and other non-transportation noise sources are located within the Bay Area. These include manufacturing plants, landfills, treatment plants (e.g., water), power generation facilities, food packaging plants, lumber mills, and aggregate mining facilities, just to name a few. Noise generated by these sources varies widely, but in many cases may be a significant if not dominant contributor to the noise environment in a specific community.

Regulatory Background

Noise levels 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.

Significance Criteria

The proposed project impacts on noise will be considered significant if:

- Construction noise levels exceed the local noise ordinances or, if the noise ordinance is currently exceeded, project noise sources increase ambient noise levels by more than three decibels (dBA) at the site boundary.
- The proposed project operational noise levels exceed any of the local noise ordinances at the site boundary or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three dBA at the site boundary.

Discussion of Impacts

XII a, c, and d. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Any new development that could generate noise would not be as a result of the proposed rule amendments and approval of those projects including evaluation of their potential noise impacts would occur regardless of the proposed amendments to Regulation 2.

Based on the above, the proposed Regulation 2 amendments are not expected to require any physical facility modifications and would not require any construction or the operation of additional equipment that could generate noise. No increase in employees or additional delivery trucks would be expected. Therefore, the proposed amendments are not expected to result in an increase in noise impacts.

XII b. The proposed project is not expected to generate or expose people to excessive groundborne vibration or groundborne noise. No construction equipment that would generate vibration (e.g., backhoes, graders, jackhammers, etc.), no new industrial equipment, and no increase in traffic is expected to be required. Therefore, the proposed project is not expected to generate excessive groundborne vibration or noise.

XII e-f. The proposed Regulation 2 amendments may apply to facilities located with an airport land use plan or a private airstrip. However, as explained above, the amendments are not expected to require any physical facility modifications and would not require any construction or the operation of additional equipment that could generate noise. No increase in employees or additional delivery trucks would be expected. Therefore, the proposed amendments would have no noise impact on residents residing or working near public or private airports and no components of the proposed project would substantially increase ambient noise levels, either intermittently or permanently.

Conclusion

Based upon these considerations, no significant adverse noise impacts are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact with Mitigation Incorporated	Less Than Significant Impact	No Impact
XIII. POPULATION AND 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)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Displace a substantial number of existing housing units, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Displace a substantial number of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 amendments to Regulation 2 would apply to facilities which are located within commercial, industrial, or institutional areas in the Bay Area.

According to the Association of Bay Area Governments (ABAG), population in the Bay Area is currently about 7.2 million people and is expected to grow to about 9.3 million people by 2040 (ABAG, 2013). Two major demographic changes shape the forecast of household and job growth: the increase in the senior population and the increase in Latino and Asian populations. These demographic changes lead to three major trends in the regional growth by 2040:

- Increase in group houses. The increase in the senior population results in an increase in the amount of resident care facilities. More than 66,000 additional group housing residents are forecasted by 2040.
- Decline in labor force participation: The overall labor force participation rate declines given the increase in the senior population, even taking into account increases in the percentage of people working beyond the age of 65. By 2040, it is estimated that 49.8 out of 100 people will be employed or looking for work, compared by 51.6 in 2010.

- Increase in household size. The number of people per household is expected to increase from 2.69 in 2010 to 2.75 in 2040 as a result of the increase in the Latino and Asian populations, as well as the number of multi-generational households. .

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.

Significance Criteria

The proposed project impacts on population and housing will be considered significant if:

- The demand for temporary or permanent housing exceeds the existing supply.
- The proposed project produces additional population, housing or employment inconsistent with adopted plans either in terms of overall amount or location.

Discussion of Impacts

XIII a). The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources.

Therefore, no impacts to population/housing are expected because no new workers would be required. The proposed project is not anticipated to generate any significant effects, either directly or indirectly, on the Bay Area's population or population distribution. As such, adopting the proposed project is not expected to induce population growth.

XIII b and c). As discussed previously, the proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The amendments to Regulation 2 are not expected to require any construction activities at new or existing commercial, industrial, or institutional facilities in the Bay Area. The implementation of the proposed rule amendments is not expected to result in the creation of any industry/business 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. Based upon these considerations, significant population and housing impacts are not expected from the implementation of the proposed project.

Conclusion

Based upon these considerations, no significant adverse impacts to population and housing are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
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XIV. PUBLIC SERVICES. Would the project:

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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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. Amendments to Regulation 2 would generally apply to facilities which are located within commercial, industrial, or institutional areas in the District.

Given the large area covered by the BAAQMD, public services are provided by a wide variety of local agencies. Fire protection services are managed at the local level, typically by municipalities, counties, fire protection districts, or volunteer fire companies. California Government Code §38611 states that any city organized under general law must establish a fire department unless it is included within the boundaries of an established fire protection district. State and federal lands are generally served by State and federal fire agencies, e.g., CALFIRE and National Park Service. In some cases, businesses and native tribes manage their own fire departments. Each fire protection agency is responsible for serving its own prescribed area, but mutual aid agreements are in wide use across the region such that agencies can rely on assistance from neighboring agencies in the case of overwhelming demand (ABAG, 2013).

Police services are provided on the State, county, and local levels. Police services provide law enforcement in crime prevention, traffic and congestion control, safety management, emergency response, and homeland security. The California Highway Patrol (CHP) is responsible for police protection along the interstate highway systems and provides services for traffic management, emergency response, and protection of the highway system. Each county in the Bay Area has its

own sheriff's department responsible for police protection in unincorporated areas of each county. Each incorporated city and town has a police department responsible for police protection within its own jurisdiction (ABAG, 2013).

Although the California public school system is under the policy direction of the Legislature, the California Department of Education relies on local control for the management of school districts. School district governing boards and district administrators allocate resources among the schools of the district and set education priorities for their schools. Each jurisdiction in the Bay Area provides residents with local public education facilities and services, including elementary, middle, secondary, and post-secondary schools, as well as special and adult education (ABAG, 2013).

Public facilities within the BAAQMD 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.

Significance Criteria

The proposed project impacts on public services will be considered significant if the project results in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or the need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response time or other performance objectives.

Discussion of Impacts

XIV a. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Based on the above, no additional fire or police protection services would be required due to the proposed amendments to Regulation 2.

As noted in the "Population and Housing" discussion above, the proposed project is not expected to induce population growth because no increase in the local labor pool (e.g., workforce) would be required due to implementation of the proposed Regulation 2 amendments. Therefore, there will be no increase in local population and thus no impacts are expected to local schools or parks.

The proposed project would not result in the need for new or physically altered government facilities in order to maintain acceptable service ratios, response times, or other performance objectives. There will be no increase in population as a result of the adoption of the proposed rule amendments, therefore, no need for physically altered government facilities.

Conclusion

Based upon these considerations, no significant adverse impacts to public services are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
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XV. RECREATION.

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Would the project 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? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Setting

The BAAQMD covers all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara Counties, and portions of western Solano and southern Sonoma Counties. Because the area of coverage is vast (approximately 5,600 square miles), land uses vary greatly and include commercial, industrial, residential, and agricultural uses. The amendments to Regulation 2 would apply to facilities which are generally located within commercial, industrial, or institutional areas within the District.

The Bay Area contains over one million acres of parks and open space areas. Approximately 147,000 acres of new parkland were added to the regional’s open space inventory between 2002 and 2011, representing a 26 percent increase. Additionally, approximately 200,000 acres of privately owned land are held in permanent reserve as of 2011. While access by the general public to these reserve areas is restricted, they are important for the preservation of wildlife habitats and the protection of the environment (ABAG, 2013).

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

Significance Criteria

The proposed project impacts on recreation will be considered significant if:

- The project results in an increased demand for neighborhood or regional parks or other recreational facilities.
- The project adversely affects existing recreational opportunities.

Discussion of Impacts

XV a-b. As discussed under “Land Use” above, there are no provisions in the amendments to Regulation 2 affecting 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 rule amendments. No new or modified equipment or operations are expected to be required to comply with the proposed amendments, so there would be no impacts on recreation facilities. The proposed project would not increase or redistribute population and, therefore, would not increase the demand for or use of existing neighborhood and regional parks or other recreational facilities or require the construction of new or the expansion of existing recreational facilities. Therefore, adoption of the proposed rule amendments is not expected to have any significant adverse impacts on recreation.

Conclusion

Based upon these considerations, no significant adverse recreation impacts are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards because of a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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). 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 currently contains over 1,300 directional miles of limited-access highways, which include both interstates and state highways. In addition, the Bay Area has over 33,000 directional miles of arterials and local streets, providing more localized access to individual communities. Together, these roadway facilities accommodate nearly 17 million vehicle trips a day. There are over 11,500 transit route miles of service including heavy rail (BART), light rail (Muni Metro and VTA Light Rail), commuter rail (Caltrain and ACE), 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. At a regional level, the share of workers driving alone was about 68 percent in 2010. The portion of commuters that carpool was about 11 percent in 2010, while an additional 10 percent utilize public transit. About 3 percent of commuters walked to work in 2010. In addition, other modes of travel (bicycle, motorcycle, etc.), account for three percent of commuters in 2010 (ABAG, 2013). Cars, buses, and commercial vehicles travel about 149 million miles a day (2010) on the Bay Area Freeways and local roads. Transit serves about 1.6 million riders on the average weekday (ABAG, 2013).

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 580 starts in San Rafael, crosses the Richmond-San Rafael Bridge, joins with 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. 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.

Significance Criteria

The proposed project impacts on transportation and traffic will be considered significant if:

- A major roadway is closed to all through traffic, and no alternate route is available.
- The project conflicts with applicable policies, plans or programs establishing measures of effectiveness, thereby decreasing the performance or safety of any mode of transportation.
- There is an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system.
- The demand for parking facilities is substantially increased.
- Water borne, rail car or air traffic is substantially altered.
- Traffic hazards to motor vehicles, bicyclists or pedestrians are substantially increased.

Discussion of Impacts

XVI a and b. The proposed rule amendments are designed to make technical and administrative changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Any new development potentially affecting traffic would not be as a result of the proposed rule amendments and approval of those projects including evaluation of their potential traffic impacts would occur regardless of the proposed amendments to Regulation 2.

Based on the above, the proposed Regulation 2 amendments are not expected to generate any additional traffic impacts as they are not expected to require physical facility modifications. No increase in employees or additional delivery trucks would be expected. Therefore, the proposed amendments are not expected to conflict with any traffic plans (including congestion management plans), ordinances or policies.

XVI c. The proposed rule amendments are not expected to involve the delivery of materials via air so no increase in air traffic is expected. No physical facility modifications are expected as part of the proposed amendments to Regulation 2 and the proposed project would not result in a change in air traffic patterns or result in a change in location that results in substantial safety risks.

XVI d - e. The proposed rule amendments would not increase traffic hazards or create incompatible uses. The proposed rule amendments do not involve construction of any roadways or other transportation design features, so no changes to current roadway designs that would increase traffic hazards are expected. Emergency access at the commercial, industrial, and institutional facilities affect by the proposed rule amendments is not expected to be impacted by the proposed project, as no physical modifications are expected to be required because of the proposed amendments. The proposed rule amendments are not expected to increase vehicle trips or to alter the existing long-term circulation patterns. The proposed project is not expected to

require a modification to circulation, thus, no long-term impacts on the traffic circulation system are expected to occur.

XVI f) The proposed rule amendments are not expected to affect the performance of mass transit or non-motorized travel to street, highways and freeways, pedestrian or bicycle paths as no new employees or additional delivery/truck trips would be generated since no physical modifications are expected to be required. Therefore, the proposed rule amendments would not conflict with any congestion management programs, result in changes to level of service at intersections, increase travel demand, impact public transit, or impact bicycle or pedestrian safety. No changes are expected to parking capacity at or in the vicinity of affected facilities as the proposed rule amendments are not expected to require additional employees or truck/delivery trucks. Therefore, no impacts resulting in changes to traffic patterns or adopted traffic plans or programs are expected.

Conclusion

Based upon these considerations, no significant adverse impacts to transportation and traffic are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less-than-Significant Impact	No Impact
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XVII. TRIBAL CULTURAL RESOURCES.

Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resourced Code section 5020.1(k), or | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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 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 centuries given their abundant natural resources and moderate climate. The arrival of Native Americans into the Bay Area is associated with documented cultural resources from about 5,500 years ago (ABAG, 2013).

Six different groups of Native American population, identified by their language, lived within the Bay Area, including Costanoan, Eastern Miwok, Patwin, Coast Miwok, Pomo, and Wappo. Native villages and campsites were inhabited on a temporary basis and are found in several ecological niches due to the seasonal nature of their subsistence base. Remains of these early populations indicate that main villages, seldom more than 1,000 residents, were usually established along water courses and drainages. By the late 1760s, about 300,000 Native Americans lived in California (ABAG, 2013).

Regulatory Background

The State CEQA Guidelines were amended in July 2015 to include evaluation of impacts on tribal cultural resources. Tribal cultural resources include sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe (Public Resources Code 21074).

Significance Criteria

The proposed project impacts to tribal resources will be considered significant if:

- The project results in the disturbance of a significant prehistoric or historic archaeological site or a property of tribal cultural significance to a community or ethnic or social group or a California Native American tribe.
- Unique objects with cultural value to a California Native American tribe are present that could be disturbed by construction of the proposed project.

Discussion of Impacts

XVII a). As discussed in Section V, Cultural Resources, resources (buildings, structures, equipment) that are less than 50 years old are excluded from listing in the National Register of Historic Places unless they can be shown to be exceptionally important. Implementing the proposed rule amendments affect stationary sources which are generally located at commercial, industrial, or institutional facilities. Some affected facilities may have equipment older than 50 years. However, such equipment does not typically meet the criteria identified in CEQA Guidelines §15064.5(a)(3), are not listed or eligible for listing in the California Register of Historical Resources or a local register of historical resources (Public Resources Code Section 5020.1(k), and are not considered to have cultural value to a California Native American tribe. Further, the proposed rule amendments are not expected to result in any new development or physical modifications. For these reasons, the proposed rule amendments are not expected to require physical changes to a site, feature, place, cultural landscape, sacred place or object with cultural value to a California Native American Tribe. Furthermore, the proposed rule amendments are not expected to result in a physical change to a resource determined to be eligible for inclusion or listed in the California Register of Historical Resources or included in a local register of historical resources. Any new development potentially affecting tribal resources would not be as a result of the proposed project and approval of those projects including evaluation of their impacts on tribal resources would occur regardless of the proposed amendments to Regulation 2.

As part of releasing this CEQA document for public review and comment, the document is circulated to the State Clearinghouse that provides notice of the proposed project to all California Native American Tribes that requested to be on the Native American Heritage Commission's (NAHC) notification list per Public Resources Code § 21080.3.1(b)(1). The NAHC notification list provides a 30-day period during which a Native American Tribes may respond to the notice, in writing, requesting consultation on the proposed Rule amendments.

Since no construction activities are expected, the proposed rule amendments would not adversely affect historical or tribal resources as defined in Public Resources Section 5020.1(k), or 5024.1. Therefore, no impacts to tribal resources are anticipated to occur as a result of the proposed Rule amendments.

Conclusion

Based upon these considerations, no significant adverse impacts to tribal resources are expected from the adoption of the proposed Regulation 2 amendments including revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less-than-Significant Impact	No Impact
XVIII. UTILITIES/SERVICE SYSTEMS. Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or would new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Setting

Given the large area covered by the BAAQMD, public utilities are provided by a wide variety of local agencies. Most industrial facilities have wastewater and storm water treatment facilities and discharge treated wastewater under the requirements of National Pollutant Discharge Elimination System (NPDES) permits. 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.

There are no hazardous waste disposal sites within the jurisdiction of the BAAQMD. Hazardous waste generated at facilities, which is not recycled off-site, is required to be disposed of at a licensed hazardous waste disposal facility. Two such facilities are the Chemical Waste Management Inc. (CWMI) Kettleman Hills facility in King's County, and the Safety-Kleen facility in Buttonwillow (Kern County). Hazardous waste can also be transported to permitted facilities outside of California.

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

Significance Criteria

The proposed project impacts on utilities/service systems will be considered significant if:

- The capacities of existing or proposed wastewater treatment facilities and the sanitary sewer system are not sufficient to meet the needs of the project.
- An increase in demand for utilities impacts the current capacities of the electric utilities.
- The existing water supply does not have the capacity to meet the increased demands of the project, or the project would use a substantial amount of potable water.
- The project increases demand for water by more than 263,000 gallons per day.
- The generation and disposal of hazardous and non-hazardous waste exceeds the capacity of designated landfills.

Discussion of Impacts

XVIII a, b, d and e). The potential water use and wastewater impacts associated with implementation of the proposed amendments to Regulation 2 were discussed under Hydrology and Water Quality (see Section IX a.). The proposed rule amendments are designed to make technical and administrative changes to the NSR pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The proposed rule amendments are not expected to require the construction of any new equipment or create modifications to existing equipment or facility operations. No impacts on water use or wastewater discharge are expected due to the implementation of the proposed amendments to Regulation 2.

XVIII c). The proposed amendments to Regulation 2 are not expected to result in the construction of any new equipment, or result in modifications to existing equipment or operations. The amendments to Regulation 2 would not alter the existing drainage system or require the construction of new storm water drainage facilities. Nor would the proposed amendments 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 significant adverse impacts on storm drainage facilities are expected.

XVIII f and g). The proposed amendments to Regulation 2 are not expected to result in the construction of any new equipment, or result in modifications to existing equipment or operations. Therefore, the proposed amendments are not expected to result in an increase in solid or hazards waste generated by affected facilities. No significant impacts on waste generation are expected

from the implementation of the amendments to Regulation 2. Waste streams from affected facilities would be treated/disposed/recycled in the same manner as they currently are handled. Therefore, no significant impacts to hazardous or solid waste disposal facilities are expected due to the proposed new rule. Facilities 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 significant adverse impacts to utilities/service systems are expected from the adoption of the proposed Regulation 2 amendments including technical and administrative revisions to the NSR Program and the Title V Major Facility Review program.

	Potentially Significant Impact	Less Than Significant Impact With Mitigation Incorporated	Less Than Significant Impact	No Impact
XIX. 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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion of Impacts

XIX a.

The proposed rule amendments are designed to make changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District’s regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources. Any new development potentially affecting environmental resources would not be as a result of the proposed rule amendments and approval of those projects including evaluation of their potential environmental impacts would occur regardless of the proposed amendments to Regulation 2.

Therefore, the proposed Regulation 2 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. As discussed in Section IV - Biological Resources, Section V - Cultural Resources, and Section XVII – Tribal Cultural Resources, no significant adverse impacts are expected to biological, cultural or tribal cultural resources.

The proposed rule amendments are designed to make changes to the New Source Review pre-construction permit program and the Title V Major Facility Review operating permit program in the Bay Area. The modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources.

XIX b-c. The proposed Regulation 2 amendments are not expected to result in any significant environmental impacts. The modifications to the NSR program would make technical and administrative changes. The technical and administrative modifications to the NSR program would make the District's regulations consistent with the federal requirements, but they are not expected to require the construction of any new or modified equipment at stationary sources within the Bay Area. The amendments to the Title V program would remove GHGs as a regulated pollutant. The proposed Title V amendments are not expected to require the construction of any new equipment or modify equipment at stationary sources.

As discussed in the previous checklist discussions, the proposed rule amendments are not expected to exceed any of the applicable significance thresholds, which also serve as the cumulative significance thresholds. Therefore, the proposed project impacts are not considered to be cumulatively considerable (CEQA Guidelines §15064 (h)(1)) and are not expected to generate significant adverse cumulative impacts. The proposed project does not have adverse environmental impacts that are limited individually, but cumulatively considerable when considered in conjunction with other regulatory control projects. The proposed rule amendments are not expected to have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly. No significant adverse environmental impacts are expected.

Chapter 4

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APPENDIX A

PROPOSED NEGATIVE DECLARATION

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**CALIFORNIA ENVIRONMENTAL QUALITY ACT
NEGATIVE DECLARATION**

**Technical and Administrative Amendments to Bay Area Air Quality Management
District New Source Review and Title V Permitting Programs**

Pursuant to the California Environmental Quality Act (CEQA), Public Resources Code §§ 21000 *et seq.*, and Sections 15071 and 15074 of the CEQA Guidelines, the Board of Directors of the Bay Area Air Quality Management District (Air District) hereby adopts this Negative Declaration finding that the adoption of technical and administrative amendments to the Air District's New Source Review and Title V permitting programs will not have a significant effect on the environment.

Project Name: Technical and Administrative Amendments to the Bay Area Air Quality Management District New Source Review and Title V Permitting Programs.

Project Description: This Project is a set of technical and administrative amendments to the Air District's New Source Review (NSR) and Title V permitting programs. The amendments involve four rules in Regulation 2, which is the Air District's permitting regulation. The four rules are Regulation 2, Rule 1 (Permits – General Requirements), Regulation 2, Rule 2 (Permits – New Source Review), Regulation 2, Rule 4 (Permits – Emissions Banking), and Regulation 2, Rule 6 (Permits – Title V Major Facility Review). The amendments make certain revisions to these four rules (i) to address certain "deficiencies" identified by the U.S. Environmental Protection Agency (EPA) in order to allow EPA to fully approve the District's NSR program under the federal Clean Air Act; (ii) to address certain other areas where further revisions and clarifications of the NSR regulations are needed; and (iii) to align the Air District's programs with the U.S. Supreme Court's ruling in *Utility Air Regulatory Group v. EPA*. The amendments are described in more detail in the Initial Study attached hereto and in the Staff Report that Air District staff prepared to explain the basis for these revisions.

Project Location: The nine-county jurisdiction of the Bay Area Air Quality Management District, which includes all of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa Counties, and portions of southwestern Solano County and southern Sonoma County. A map of the project location is provided in Figure 2.2-1. on page 2-2 of the Initial Study attached hereto.

Project Proponent and Lead Agency: The Bay Area Air Quality Management District.

Finding of No Significant Impact: The Board of Directors of the Bay Area Air Quality Management District hereby finds, using its own independent judgment and analysis, that based on the whole record (including the Initial Study and public comments received) there is no substantial evidence that the Technical and Administrative Amendments to the Bay Area Air Quality Management District New Source Review and Title V Permitting Programs will have a significant effect on the environment.

Initial Study: A copy of the Initial Study documenting the reasons supporting the finding of no significant impact is attached hereto.

Mitigation Measures: No mitigation measures need to be included in the project to avoid potentially significant effects, as the project will not have any potentially significant effects.