ATTACHMENT H



SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA

ENVIRONMENTAL QUALITY ACT

PROJECT TITLE: PROPOSED AMENDMENT TO REGULATION XX – REGIONAL

CLEAN AIR INCENTIVES MARKET (RECLAIM): PROPOSED

AMENDED RULE 2001 – APPLICABILITY

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD) is the Lead Agency and has prepared a Notice of Exemption for the project identified above.

The proposed project to amend Regulation XX – Regional Clean Air Incentives Market (RECLAIM) is comprised of Proposed Amended Rule 2001 – Applicability. Proposed Amended Rule 2001 would remove the opt-out provision and prevent facilities from exiting the RECLAIM program until all rules that need to be updated in accordance with the transition to a command-and-control regulatory structure are adopted and approved into the State Implementation Plan. South Coast AQMD staff has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA.

Because the proposed project is comprised of revisions which are administrative and procedural in nature, and would not cause any physical changes that would affect any environmental topic area, South Coast AQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. Additionally, Proposed Amended Rule 2001 is categorically exempt because it is designed to further protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Action by Regulatory Agencies for Protection of the Environment. Further, South Coast AQMD staff has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemptions apply to Proposed Amended Rule 2001 pursuant to CEQA Guidelines Section 15300.2 – Exceptions. Therefore, the proposed project is exempt from CEQA. A Notice of Exemption will be prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

Any questions regarding this Notice of Exemption should be sent to Darren Ha (c/o Planning, Rule Development and Area Sources) at the above address. Mr. Ha can also be reached at (909) 396-2548. Ms. Melissa Gamoning is also available at (909) 396-3115 to answer any questions regarding the proposed amended rule.

Date: May 30, 2019 Signature:

Barbara Radlein

Program Supervisor, CEQA

Planning, Rule Development, and Area Sources

Reference: California Code of Regulations, Title 14

NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

To: County Clerks From: South Coast Air Quality Management District

Counties of Los Angeles, Orange, 21865 Copley Drive Riverside and San Bernardino Diamond Bar, CA 91765

Project Title: Proposed Amendment to Regulation XX – Regional Clean Air Incentives Market (RECLAIM):

Proposed Amended Rule 2001 - Applicability

Project Location: The South Coast AQMD has jurisdiction over the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB). The SCAQMD's jurisdiction includes the federal nonattainment area known as the Coachella Valley Planning Area, which is a sub-region of Riverside County and the SSAB.

Description of Nature, Purpose, and Beneficiaries of Project: The proposed project to amend Regulation XX – Regional Clean Air Incentives Market (RECLAIM) is comprised of Proposed Amended Rule 2001 – Applicability. Proposed Amended Rule 2001 would remove the opt-out provision and prevent facilities from exiting the RECLAIM program until all rules that need to be updated in accordance with the transition to a command-and-control regulatory structure are adopted and approved into the State Implementation Plan.

Public Agency Approving Project: Agency Carrying Out Project:

South Coast Air Quality Management District South Coast Air Quality Management District

Exempt Status:

CEOA Guidelines Section 15061(b)(3) – Common Sense Exemption

CEQA Guidelines Section 15308 - Actions By Regulatory Agencies For Protection Of The Environment

Reasons why project is exempt: South Coast AQMD staff has reviewed the proposed amendments to Rule 2001: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA. Because the proposed project is comprised of revisions which are administrative and procedural in nature, and would not cause any physical changes that would affect any environmental topic area, South Coast AQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. Additionally, Proposed Amended Rule 2001 is categorically exempt because it is designed to further protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Action by Regulatory Agencies for Protection of the Environment. Further, South Coast AQMD staff has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemptions apply to Proposed Amended Rule 2001 pursuant to CEQA Guidelines Section 15300.2 – Exceptions.

Date When Project Will Be Considered for Approval (subject to change):

South Coast AQMD Governing Board Hearing: July 12, 2019; South Coast AQMD Headquarters

CEQA Contact Person: Mr. Darren Ha	Phone Number: (909) 396-2548	Email: dha@aqmd.gov	Fax: (909) 396-3982
Rule Contact Person: Ms. Melissa Gamoning	Phone Number: (909) 396-3115	Email: mgamoning@aqmd.gov	Fax: (909) 396-3324

Date Received for Filing: Signature: (Signed Upon Board Approval)

Barbara Radlein

Program Supervisor, CEQA

Planning, Rule Development, and Area Sources