South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SUBJECT: **NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL ASSESSMENT, INITIAL STUDY, AND OPPORTUNITY FOR PUBLIC COMMENT**

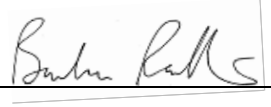
PROJECT TITLE: **PROPOSED RULE 2305 – WAREHOUSE INDIRECT SOURCE RULE - WAREHOUSE ACTIONS AND INVESTMENTS TO REDUCE EMISSIONS (WAIRE) PROGRAM; AND PROPOSED RULE 316 – FEES FOR REGULATION XXIII**

In accordance with the California Environmental Quality Act (CEQA), the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Preparation (NOP) of the Draft Environmental Assessment (EA) and Initial Study (IS) to analyze environmental impacts from the project identified above pursuant to its certified regulatory program (Public Resources Code Section 21080.5, CEQA Guidelines Section 15251(l), and South Coast AQMD Rule 110). The NOP/IS includes a project description and analysis of potential adverse environmental impacts that could be generated from the proposed project. The NOP/IS serves two purposes: 1) to solicit information on the scope of the environmental analysis for the proposed project, and 2) to notify public agencies and the public that the South Coast AQMD will prepare a Draft EA to further assess potential adverse environmental impacts that may result from implementing the proposed project.

This letter, the attached NOP and the attached IS are not South Coast AQMD applications or forms requiring a response from you. Their purpose is simply to provide information to you on the above project. If the proposed project has no bearing on you or your organization, no action on your part is necessary. The IS and other relevant documents may be obtained by calling the South Coast AQMD Public Information Center at (909) 396-2001 or accessing the South Coast AQMD's website at: http://www.aqmd.gov/home/library/documents-support-material/lead-agency-scaqmd-projects.

Comments focusing on your area of expertise, your agency's area of jurisdiction, if applicable, or issues relative to the environmental analysis for the proposed project will be accepted during a 32-day public review and comment period beginning Friday, November 13, 2020 and ending at 5:00 p.m. on Tuesday, December 15, 2020. **Please send any comments relative to the CEQA analysis in the IS to Ryan Bañuelos (c/o CEQA) at the address shown above. Comments can also be sent via email to rbanuelos@aqmd.gov, facsimile to (909) 396-3982.** Please include the name and phone number of the contact person for your organization. Questions regarding the proposed rule language should be directed to Victor Juan at (909) 396-2374 or by email to vjuan@aqmd.gov.

Because the proposed project may have statewide, regional, or areawide significance, a CEQA scoping meeting is required pursuant to Public Resources Code Section 21083.9(a)(2). The CEQA scoping meeting will be held via video conferencing and by telephone on December 2, 2020 at 1:30 PM. PR 2305 and PR 316 are scheduled to be considered for adoption at the Governing Board Meeting (Public Hearing) on March 5, 2021 at 9:00 a.m. This date is subject to change. Meeting agendas, which include details on how the public can participate electronically, are posted at least 72 hours prior to the meeting and are available from South Coast AQMD's website at: http://www.aqmd.gov/home/newsevents/meeting-agendas-minutes.

Date: November 12, 2020 **Signature:** 

Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources
South Coast Air Quality Management District

Reference: California Code of Regulations, Title 14, Sections 15082(a) and 15375

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive, Diamond Bar, CA 91765-4182

NOTICE OF PREPARATION (NOP) OF A DRAFT ENVIRONMENTAL ASSESSMENT (EA), INITIAL STUDY (IS), AND OPPORTUNITY FOR PUBLIC COMMENT

Project Title: Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program; and Proposed Rule 316 – Fees for Regulation XXIII

Project Location: The proposed project may affect existing and new warehouses located throughout the South Coast Air Quality Management District's (South Coast AQMD) jurisdiction, which includes 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 portion of the Salton Sea Air Basin and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

Description of Nature, Purpose, and Beneficiaries of Project: The proposed project is comprised of Proposed Rule (PR) 2305, including a mitigation program component, PR 316 to recover administrative costs, and the submittal of PR 2305 into the State Implementation Plan (SIP). PR 2305 has been developed to facilitate local and regional emission reductions associated with existing and new warehouses with an indoor warehouse floor space equal to or greater than 100,000 square feet within a single building and the mobile sources attracted to these warehouses. Under PR 2305, operators of applicable existing and new warehouses would be subject to an annual Warehouse Actions and Investments to Reduce Emissions (WAIRE) Points Compliance Obligation (WPCO) intended to reduce regional and local emissions from warehouse indirect sources. To meet the WPCO, WAIRE Points can be earned by warehouse operators and/or owners by selecting from a menu of implementation measures: 1) acquiring and/or using near-zero emissions (NZE) and zero-emission (ZE) trucks; 2) acquiring and/or using ZE yard trucks; 3) installing and/or using ZE charging/fueling infrastructure (e.g., electric charger, hydrogen fuel station) for cars, trucks, and/or transport refrigeration units; 4) installing and/or using onsite energy systems (e.g., solar panels); and 5) implementing community benefits (e.g., air filters for sensitive receptors). In addition, warehouse operators may apply to earn WAIRE Points through a custom WAIRE Plan specific to their operations that satisfy prescribed performance metrics. WAIRE Points may be earned only for "surplus" actions that go beyond existing state and federal regulations. In lieu of satisfying the WPCO via implementation measures, a warehouse operator may choose to pay an optional mitigation fee to the South Coast AQMD that would be used in a mitigation program to achieve the emissions reductions. Similar to the measures used to earn WAIRE Points, the mitigation program would implement measures such as subsidizing the purchase of NZE and ZE trucks and/or the installation of charging and fueling infrastructure for ZE trucks. The mitigation program would prioritize use of the mitigation fees in areas near the warehouses using this compliance option. Therefore, the environmental impacts associated with the mitigation program are similar to implementation of measures to earn WAIRE Points and are analyzed in this NOP/IS. Implementation of the proposed project is expected to result in emission reductions of nitrogen oxides and particulate matter, including diesel particulate matter and reduced associated public health impacts from warehouse activities which will vary depending upon the implementation measures employed. There may be additional industrial properties and warehouse operators and owners that will only be required to provide reports but will not be required to earn WAIRE Points. PR 2305 will be submitted into the State Implementation Plan. PR 316 has been developed to establish fees to be paid by warehouses subject to PR 2305 to recover South Coast AQMD administrative costs associated with submittal and review of various notifications and reports, custom WAIRE Plan evaluation, and implementing a program using mitigation fees from warehouse operators that chose to pay a mitigation fee, as well as compliance activities such as conducting desktop audits, onsite inspections, and reviewing records. While reducing emissions is an environmental benefit, the NOP/IS identifies potentially significant adverse impacts to the environmental topic areas of air quality and greenhouse gas emissions, energy, and transportation (traffic). Warehouses that will be subject to the proposed project may be identified on lists compiled by the California Department of Toxic Substances Control per Government Code Section 65962.5.

Lead Agency:	**Division:**
South Coast Air Quality Management District	Planning, Rule Development and Area Sources

The NOP/IS is available from South Coast AQMD's website at: http://www.aqmd.gov/home/rules-compliance/ceqa/lead-agency-documents	**or by calling:** (909) 396-2001 **or by emailing:** PICrequests@aqmd.gov	**PR 2305, PR 316, and all supporting documentation are available from South Coast AQMD's website at:** http://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules#2305

The Notice of Preparation of the Draft EA and Initial Study is provided to the public through the following:

☑ Los Angeles Times (November 13, 2020) ☑ South Coast AQMD Mailing List & Interested Parties
☑ South Coast AQMD Website ☑ South Coast AQMD Public Information Center

NOP/IS Review Period (32 days): Friday, November 13, 2020 – Tuesday, December 15, 2020

Scheduled Public Meeting Dates (subject to change): The proposed project may have statewide, regional, or areawide significance; therefore, a CEQA scoping meeting is required (pursuant to Public Resources Code Section 21083.9(a)(2) and CEQA Guidelines Section 15162(d)) and will be held on Wednesday, December 2, 2020 at 1:30 p.m. PR 2305 and PR 316 are scheduled to be considered for adoption at the Governing Board Meeting (Public Hearing) on March 5, 2021 at 9:00 a.m. This date is subject to change. Board meeting agendas, which include details on how the public can participate electronically, are posted at least 72 hours prior to the meeting and are available from South Coast AQMD's website at: http://www.aqmd.gov/home/news-events/meeting-agendas-minutes.

Send CEQA Comments to:	**Phone:**	**Email:**	**Fax:**
Ryan Bañuelos	(909) 396-3479	rbanuelos@aqmd.gov	(909) 396-3982
Direct Questions on PR 2305 and PR 316 to:	**Phone:**	**Email:**	**Fax:**
Victor Juan	(909) 396-2374	vjuan@aqmd.gov	(909) 396-3324

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Initial Study: Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program; and Proposed Rule 316 – Fees for Regulation XXIII

November 2020

State Clearinghouse No. TBD
South Coast AQMD No. 11132020RB

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SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
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EXECUTIVE OFFICER:

WAYNE NASTRI

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3PL	Third-party logistics provider
AB	Assembly Bill
AQMP	Air Quality Management Plan
ALUC	Airport Land Use Commission
ARA	Air Resource Advisors
ATCM	Airborne Toxic Control Measure
BAER	Burned Area Emergency Response
BCO	Beneficial Cargo Owner
BMPs	Best management practices
CAA	Federal Clean Air Act
CARB	California Air Resources Board
CalEPA	California Environmental Protection Agency
CALGreen	California Green Building Standards Code
CAL FIRE	California Department of Forestry and Fire Protection
CAP	Criteria air pollutant
CBC	California Building Code
CCAA	California Clean Air Act
CEQA	California Environmental Quality Act
CFC	California Fire Code
CGP	Construction General Permit
CHE	Cargo handling equipment
CO	Carbon monoxide
CPUC	California Public Utilities Commission
CWA	Clean Water Act
dBA	Decibel
DECS	Diesel emission control strategy

DPM	Diesel particulate matter
EA	Environmental Assessment
EAP	Emergency Action Plans
EWP	Emergency Watershed Protection
FBMSM	Facility-Based Mobile Source Measure
FEMA	Federal Emergency Management Agency
FHSZ	Fire Hazard Severity Zones
FIRM	Federal Insurance Rate Map
FY	Fiscal year
GHG	Greenhouse gas
GSAs	Groundwater Sustainability Agencies
GSE	Ground support equipment
GVWR	Gross vehicle weight rating
IS	Initial Study
ISR	Indirect Source Rule
IWMP	Integrated Waste Management Plan
LID	Low impact development
LRA	Local responsibility areas
MY	Model year
NAAQS	National Ambient Air Quality Standards
NAHC	Native American Heritage Commission
NHTSA	National Highway Traffic Safety Administration
NPDES	National Pollution Discharge Elimination System
NO2	Nitrogen dioxide
NOP	Notice of Preparation
NOx	Oxides of nitrogen

NRCS	National Resource Conservation Service
NZE	Near-zero emissions
O3	Ozone
OSHA	Occupational Safety and Health Administration
PR	Proposed Rule
PM	Particulate matter
PM2.5	Particulate matter with an aerodynamic diameter of 2.5 microns or less
PM10	Particulate matter with an aerodynamic diameter of 10 microns or less
RCRA	Resource Conservation and Recovery Act
RPS	Renewables Portfolio Standard
RWQCB	Regional Water Quality Control Board
SB	Senate Bill
SIP	State Implementation Plan
SGMA	Sustainable Groundwater Management Act
SQFT	Square feet
SOON	Surplus Off-Road Opt-In for NOx
South Coast AQMD	South Coast Air Quality Management District
SOx	Oxides of sulfur
SRA	State responsibility area
SWPPP	Stormwater Pollution Prevention Plan
TAC	Toxic air contaminant
TRU	Transport refrigeration unit
U.S. EPA	United States Environmental Protection Agency
U.S. FS	United States Forest Service
UST	Underground storage tank
VMT	Vehicle miles traveled

VOC	Volatile organic compounds
WAIRE	Warehouse Actions and Investments to Reduce Emissions
WATTs	Weighted annual truck trips
WFAQRP	Wildland Fire Air Quality Response Program
WPCO	Warehouse Points Compliance Obligation
WQMP	Water Quality Management Plan
ZE	Zero emissions

CHAPTER 1

PROJECT DESCRIPTION

INTRODUCTION

The purpose of the Notice of Preparation (NOP) of a Draft Environmental Assessment (EA) and Initial Study (IS) is to evaluate the potential adverse environmental impacts associated with the proposed project, which includes Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program and Proposed Rule 316 – Fees for Regulation XXIII. The proposed project may affect existing and new warehouses located throughout the South Coast Air Quality Management District (South Coast AQMD) jurisdiction, which includes the four-county South Coast Air Basin (SCAB) (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portion of the Salton Sea Air Basin (SSAB) and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin (MDAB). The proposed project is described in more detail under Project Description.

The California Legislature created the South Coast AQMD in 1977[1] as the agency responsible for developing and enforcing air pollution control rules and regulations in the SCAB and portions of the SSAB and MDAB. In 1977, amendments to the federal Clean Air Act (CAA) included requirements for submitting State Implementation Plans (SIPs) for nonattainment areas that failed to meet all federal ambient air quality standards (CAA Section 172), and similar requirements exist in state law (Health and Safety Code Section 40462). The federal CAA was amended in 1990 to specify attainment dates and SIP requirements for ozone, carbon monoxide (CO), nitrogen dioxide (NO2), and particulate matter (PM) with an aerodynamic diameter of less than 10 microns (PM10). In 1997, the United States Environmental Protection Agency (U.S. EPA) promulgated ambient air quality standards for particulate matter with an aerodynamic diameter less than 2.5 microns (PM2.5 or fine particulate matter). U.S. EPA is required to periodically update the national ambient air quality standards (NAAQS).

In addition, the California Clean Air Act (CCAA), adopted in 1988, requires the South Coast AQMD to achieve and maintain state ambient air quality standards for ozone, CO, sulfur dioxide (SO2), and NO2 by the earliest practicable date (Health and Safety Code Section 40910). The CCAA also requires a three-year plan review, and, if necessary, an update to the SIP. The CCAA requires air districts to achieve and maintain state standards by the earliest practicable date and for extreme non-attainment areas, to include all feasible measures pursuant to Health and Safety Code Sections 40913, 40914, and 40920.5. While not defined in this part of the Health and Safety Code, the term "feasible" is defined in the California Environmental Quality Act (CEQA) Guidelines[2] Section 15364, as a measure "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors."

By statute, the South Coast AQMD is required to adopt an air quality management plan (AQMP) demonstrating compliance with all federal and state ambient air quality standards for the areas under the jurisdiction of the South Coast AQMD[3]. Furthermore, the South Coast AQMD must adopt rules and regulations that carry out the AQMP[4]. The AQMP is a regional blueprint for how

[1] The Lewis-Presley Air Quality Management Act, 1976 Cal. Stats., Ch. 324 (codified at Health and Safety Code Section 40400-40540).
[2] The CEQA Guidelines are codified at Title 14 California Code of Regulations Section 15000 *et seq.*
[3] Health and Safety Code Section 40460(a).
[4] Health and Safety Code Section 40440(a).

the South Coast AQMD will achieve air quality standards and healthful air and the 2016 AQMP[5] contains multiple goals promoting reductions of criteria air pollutants, greenhouse gases (GHGs), and toxic air contaminants (TACs). In particular, the 2016 AQMP states both oxides of nitrogen (NOx) and volatile organic compound (VOC) emissions need to be reduced to meet air quality standards, with emphasis that NOx emission reductions are more effective to reduce the formation of ozone and PM2.5. Ozone is a criteria pollutant shown to adversely affect human health and is formed when VOCs react with NOx in the atmosphere. NOx is a precursor to the formation of ozone and PM2.5.

To meet air pollution reduction goals, the 2016 AQMP contains a variety of control measures, which include Facility-Based Mobile Source Measures (FBMSMs), also known as indirect source measures or rules. An indirect source rule (ISR) is distinct from a traditional air pollution control regulation that focus on stationary equipment in that ISR focuses on reducing emissions from the vehicles associated with a facility rather than emissions from a facility itself.[6] PR 2305 is an indirect source rule that South Coast AQMD can adopt under the authority of Health and Safety Code Sections 40716(a)(1) and 40440. The primary goal of the FBMSMs is to reduce NOx emissions as one of many local, state, and federal strategies to meet the 8-hour ozone NAAQS. NOx is locally and regionally important due to its involvement in the photochemical formation of ozone and fine particulate matter. Mobile sources associated with goods movement make up about 52% of all NOx emissions in the SCAB.[7] PR 2305 will also reduce diesel particulate matter (DPM), which is a toxic air contaminant and a component of fine particulate matter. The emission reductions from PR 2305 will contribute to meeting commitments for reducing NOx and PM2.5 in the SIP.

The FBMSMs are concentrated on the four sectors of the goods movement industry: commercial marine ports, rail yards, warehouse distribution centers, and commercial airports. Of these FBMSMs, Control Measure MOB-03 – Emission Reductions at Warehouse Distribution Centers, committed to exploring how to achieve emission reductions from this sector. As such, South Coast AQMD staff has developed Proposed Rule (PR) 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program, to implement Control Measure MOB-03.

If adopted, PR 2305 would be applicable to any existing or new warehouse located in the South Coast AQMD jurisdiction with an indoor warehouse floor space equal to or greater than 100,000 square feet within a single building that may be used for warehousing activities by one or more warehouse operators. Under PR 2305, operators of applicable warehouses would be subject to an annual WAIRE Points Compliance Obligation (WPCO). WAIRE Points can be earned by warehouse operators and/or owners by selecting from the following implementation measures in the WAIRE Menu: 1) acquiring and/or using near-zero emissions (NZE) and zero-emission (ZE) trucks; 2) acquiring and/or using ZE yard trucks; 3) installing and/or using ZE charging/fueling infrastructure (e.g., electric charger, hydrogen fuel station) for cars, trucks, and/or transport refrigeration units (TRUs); 4) installing and/or using onsite energy systems (e.g., solar panels); and 5 installing high-efficiency filters or filter systems in residences, schools, daycares, hospitals,

[5] South Coast AQMD, Final 2016 Air Quality Management Plan, March 2017. https://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/final-2016-aqmp

[6] South Coast AQMD, Final 2016 Air Quality Management Plan, March 2017. https://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/final-2016-aqmp

[7] SCAG 2020 Regional Transportation Plan. Accessed Oct. 7, 2020. https://www.connectsocal.org/Documents/Adopted/fConnectSoCal_Goods-Movement.pdf#page=4

or community centers. In addition, warehouse operators may apply to earn WAIRE Points through a custom WAIRE Plan specific to their operations that satisfy prescribed performance metrics. Custom WAIRE Plans could include measures like installing offsite fueling/charging infrastructure or implementing new onsite practices to reduce air quality impacts from electricity consumption (such as installing and operating battery storage, or energy management systems to shift when electricity is used).

WAIRE Points may be earned only for "surplus" actions that go beyond existing state and federal regulations. In lieu of satisfying the WPCO via implementation measures, a warehouse operator may choose to pay an optional mitigation fee to the South Coast AQMD that would be used in a mitigation program to achieve the emissions reductions. Similar to the measures used to earn WAIRE Points, the mitigation program would implement measures such as subsidizing the purchase of NZE and ZE trucks and/or the installation of charging and fueling infrastructure for ZE trucks. The mitigation program would prioritize use of the mitigation fees in areas near the warehouses using this compliance option. Therefore, the environmental impacts associated with the mitigation program are similar to implementation of measures to earn WAIRE Points and are analyzed in this NOP/IS.

In addition, South Coast AQMD staff has developed PR 316 – Fees for Regulation XXIII, to accompany PR 2305, to establish an annual fee to be paid by warehouses subject to PR 2305 to recover South Coast AQMD administrative costs associated with submittal and review of various notifications and reports, custom WAIRE Plan evaluation, implementing an incentive program using fees from warehouse operators that chose to pay a mitigation fee, as well as compliance activities such as conducting desktop audits, onsite inspections, and reviewing records. Although PR 316 is statutorily exempt from CEQA, to avoid confusion the CEQA analysis will consider any potential environmental impacts from this proposed rule as part of the project.

Implementation of the proposed project is expected to result in NOx and PM, including DPM, emission reductions and reduced associated public health impacts from warehouse activities which will vary depending upon the implementation measures employed. Estimated emission benefits from this project, including any that are creditable towards the SIP, will be included in the Environmental Assessment.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The California Environmental Quality Act (CEQA), Public Resources Code Section 21000 *et seq.* and CEQA Guidelines which are codified at Title 14 California Code of Regulations, Section 15000 *et seq.*, requires all potential adverse environmental impacts of proposed projects be evaluated and methods to reduce or avoid identified significant adverse environmental impacts of these projects be implemented, if feasible. The purpose of the CEQA process is to inform decision makers, public agencies, and interested parties of potential adverse environmental impacts that could result from implementing a proposed project and to identify feasible mitigation measures or alternatives, when an impact is significant.

Public Resources Code Section 21080.5 allows public agencies with regulatory programs to prepare a plan or other written documents in lieu of a Negative Declaration or Environmental Impact Report once the secretary of the resources agency has certified the regulatory program. The South Coast AQMD's regulatory program was certified by the secretary of resources agency on March 1, 1989. [CEQA Guidelines Section 15251(l)]. In addition, the South Coast AQMD adopted Rule 110 – Rule Adoption Procedures to Assure Protection and Enhancement of the Environment, which implements the South Coast AQMD's certified regulatory program. Under the certified regulatory program, the South Coast AQMD typically prepares an Environmental Assessment (EA) to evaluate the environmental impacts for rule projects proposed for adoption or amendment. The EA is a substitute CEQA document (CEQA Guidelines Section 15252), prepared either in lieu of a Negative Declaration for a project with no significant impacts or in lieu of an Environmental Impact Report for a project with potentially significant adverse impacts, pursuant to the South Coast AQMD's Certified Regulatory Program. The EA is also a public disclosure document intended to: 1) provide the lead agency, responsible agencies, decision makers and general public with information on the environmental impacts of the proposed project; and, 2) be used as a tool by decision makers to facilitate decision making on the proposed project.

The proposed adoption of PR 2305, and PR 316 is a discretionary action subject to South Coast AQMD Governing Board consideration, which has the potential for resulting in direct or indirect change to the environment and, therefore, is considered a "project" as defined by CEQA. [CEQA Guidelines Section 15378]. While PR 316 would individually qualify for a statutory exemption under CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, it is being included as part of the project description for clarity and to give a complete description of the proposed project. The lead agency is the "public agency that has the principal responsibility for carrying out or approving a project that may have a significant effect upon the environment." [Public Resources Code Section 21067]. Since the South Coast AQMD Governing Board has the primary responsibility for approving the entire project as a whole, the South Coast AQMD is the most appropriate public agency to act as lead agency for the proposed project. [CEQA Guidelines Section 15051(b)].

The first step of the EA process is to prepare a Notice of Preparation (NOP) with an Initial Study (IS) that includes an Environmental Checklist and project description. The Environmental Checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. The NOP/IS is also intended to provide information about the proposed project to other public agencies and interested parties prior to the release of the Draft EA for public review and comment.

PR 2305 is anticipated to result in NOx and PM, including DPM, emissions reductions because its implementation would accelerate transition to near zero and zero emissions vehicles and equipment. However, it is not possible to quantify the magnitude of emissions benefits at this

preliminary state. While implementation is expected to result in NOx and PM, including DPM, emission reductions in order to assist in meeting state and federal air quality standards for ozone and fine particulate matter (an environmental benefit), the proposed project also has the potential to generate potentially significant adverse environmental impacts to the environmental topic areas of air quality and greenhouse gas emissions, energy, and transportation (traffic). Thus, in accordance with CEQA Guidelines Section 15063, this IS identifies these potential adverse effects.

This NOP/IS is being released and circulated for a 32-day public review and comment period from November 13, 2020 to December 15, 2020. Written comments received during the public comment period on the scope of the environmental analysis presented in the NOP/IS will be considered when preparing the Draft EA and included in an appendix of the Draft EA, along with responses to comments.

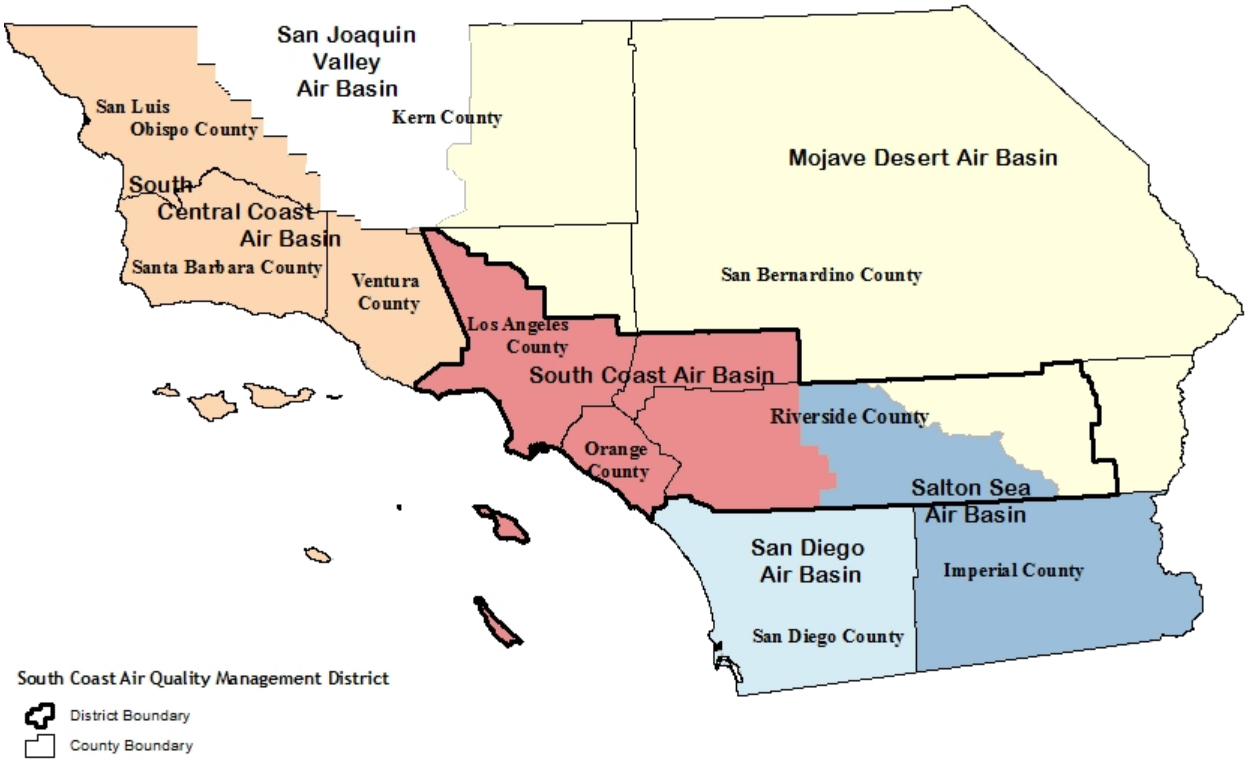
Because the proposed project may have statewide, regional, or areawide significance, a CEQA scoping meeting is required pursuant to Public Resources Code Section 21083.9(a)(2) and will be held on December 2, 2020 at 1:30 p.m. South Coast AQMD staff recognizes the challenges businesses and other stakeholders are experiencing due to COVID-19 and seeks to be consistent with Governor Newsom's Executive Order N-29-20 (March 18, 2020). To ensure South Coast AQMD is practicing safe social distancing, the CEQA scoping meeting will only be conducted remotely via video conference and teleconference (Zoom) which can be accessed via an internet-connected digital device or a telephone. Any comments made at the CEQA scoping meeting relative to the proposed project along with responses to the CEQA-related comments will be included in an appendix of the Draft EA. Further, pursuant to CEQA Guidelines Section 15252, since significant adverse impacts have been identified, an alternatives analysis along with mitigation measures are required and will be included in the Draft EA.

Prior to making a decision on the adoption of the proposed project, the South Coast AQMD Governing Board must review and certify the Final EA, including responses to comments, as providing adequate information on the potential adverse environmental impacts that may occur as a result of adopting the proposed project.

PROJECT LOCATION

The South Coast AQMD has jurisdiction over an area of approximately 10,743 square miles, consisting of the four-county SCAB (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portion of the SSAB and the non-Palo Verde, Riverside County portion of the MDAB. The SCAB is a subarea of South Coast AQMD's jurisdiction, it is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto mountains to the north and east. SCAB includes all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portion of the SSAB is bounded by the San Jacinto Mountains in the west and spans eastward up to the Palo Verde Valley. A federal nonattainment area (known as the Coachella Valley Planning Area) is a subregion of Riverside County and the SSAB that is bounded by the San Jacinto Mountains to the west and the eastern boundary of the Coachella Valley to the east (see Figure 1-1).

Figure 1-1
Southern California Air Basins and South Coast AQMD's Jurisdiction



The proposed project applies to qualifying-sized warehouses located within the South Coast AQMD's jurisdiction (see Table 1-1). Some properties may only be required to satisfy reporting requirements in PR 2305 as the information contained within existing databases may not be sufficient to determine if the property is currently used for warehousing, or if warehousing activities are conducted in areas above rule thresholds. Because the warehousing industry is dynamic, the number of regulated entities is expected to change year to year as more warehouses are constructed, or as operations change at existing warehouses.

Table 1-1 Expected Number of Warehouses and Industrial Properties Subject to PR 2305

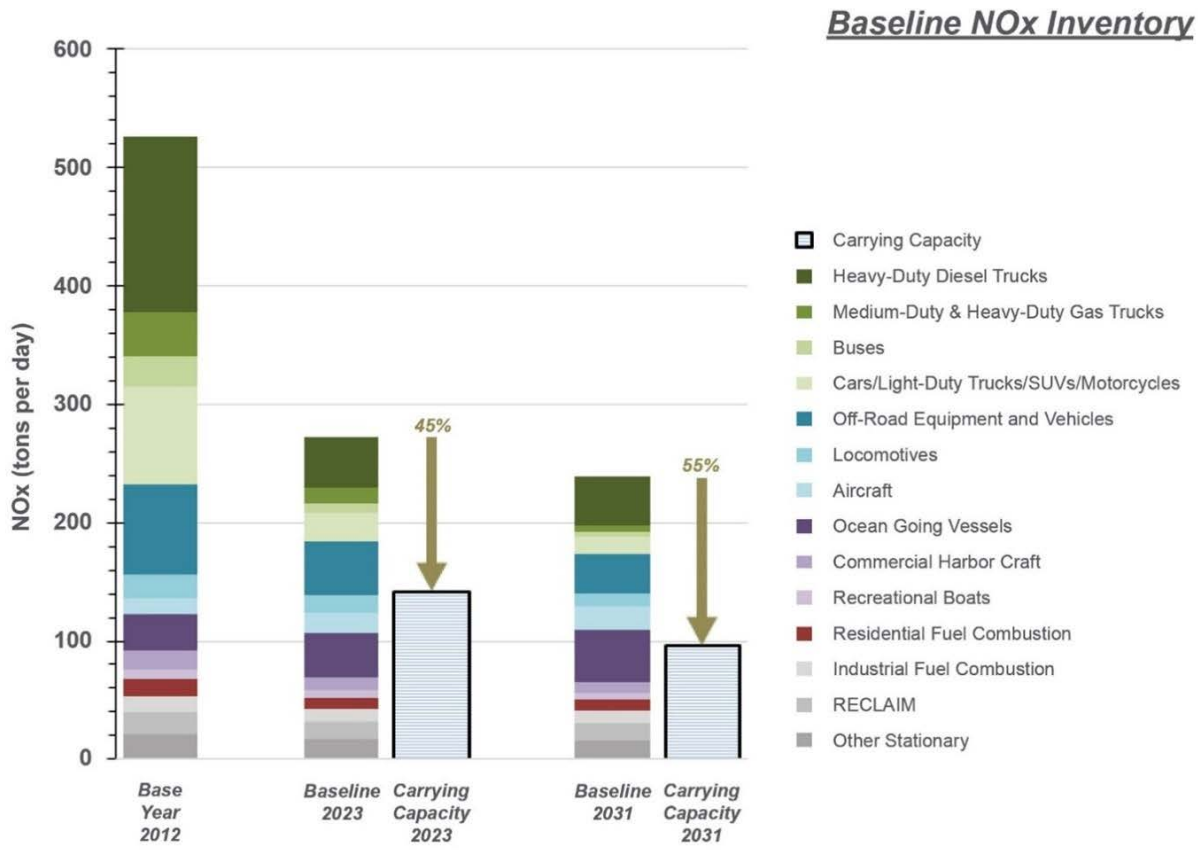
County	Total Number of Industrial Properties Anticipated to be Subject to PR 2305	Total Number of Warehouses Likely Required to Earn WAIRE Points	Total Number of Warehouses and Industrial Properties Likely Only Subject to PR 2305 Reporting Requirements
Los Angeles	1,635	1,392	243
Orange	398	325	73
Riverside	406	365	41
San Bernardino	881	820	61
Total	**3,320**	**2,902**	**418**

PROJECT BACKGROUND

In response to historical and ongoing exceedances of state and federal ambient air quality standards for PM10, PM2.5, and ozone, South Coast AQMD has adopted a series of AQMPs with the most recent 2016 AQMP adopted in March 2017. The 2016 AQMP evaluated new implementation strategies and control measures to achieve emission reductions to demonstrate how the region will meet federal air quality standards for ozone and fine particulate matter. The 2016 AQMP states both NOx and VOC emissions need to be addressed, emphasizing NOx emission reductions are more effective to reduce ozone and fine particulate matter formation. DPM is a component of fine particulate matter.

The 2016 AQMP includes potential regulatory control options to achieve multiple air quality goals. The primary goal of the 2016 AQMP is to reduce NOx emissions as one of many local, state, and federal strategies to meet the 8-hour ozone NAAQS. If these standards are met, then all other federal ozone and PM standards should be achieved. In order to meet these air quality standards, total NOx emissions in the SCAB must be reduced by approximately 45 percent beyond baseline 2023 levels, and 55 percent beyond baseline 2031 levels (see Figure 1-2).

Figure 1-2
NOx Emission Reductions Needed to Achieve Federal 8-Hour Ozone NAAQS



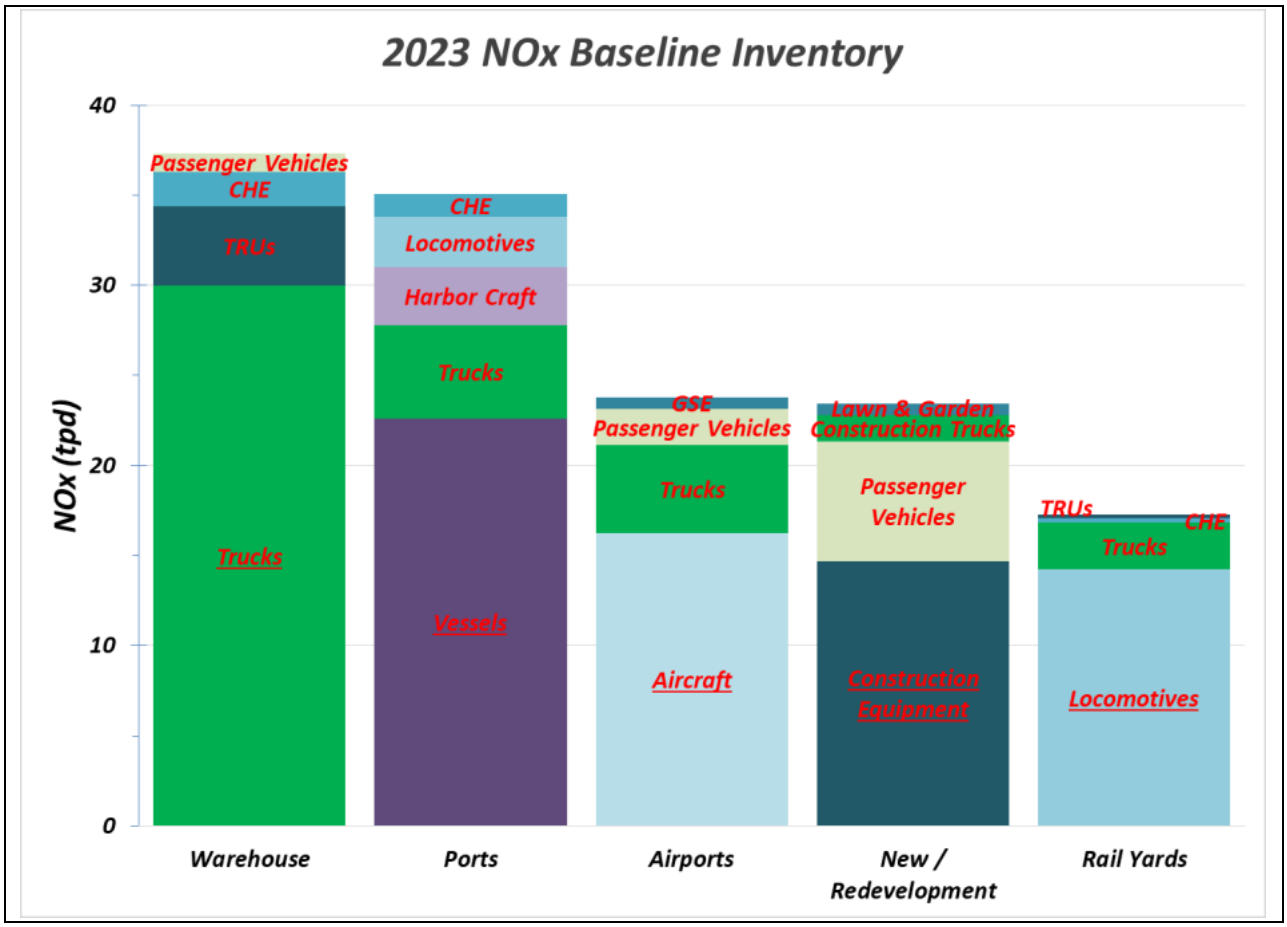
Source: South Coast AQMD, 2016 Air Quality Management Plan, Potential Strategies for Facility-Based Mobile Source Measures, May 4, 2018, Figure 1-1, page 1-1, http://www.aqmd.gov/docs/default-source/Agendas/Governing-Board/2018/2018-may4-032.pdf.

To meet air pollution reduction goals, the 2016 AQMP contains FBMSMs to reduce NOx emissions from mobile sources utilized as part of the goods movement industry as one of many local, state, and federal strategies to meet the 8-hour ozone NAAQS[8]. The FBMSMs were focused on four sectors of the goods movement industry: commercial marine ports, rail yards and intermodal facilities, warehouse distribution centers, and commercial airports.

To assist in identifying potential areas of opportunity for emission reductions, South Coast AQMD developed preliminary NOx emission inventories for each facility sector included that could be affected by FBMSMs. Figure 1-3 presents the estimated NOx emission baseline inventory by source for each FBMSM sector. Each bar in Figure 1-3 is not mutually exclusive from another bar. For example, trucks may travel from a port to a warehouse, or from a warehouse to a railyard.

[8] NOx is locally and regionally important due to its involvement in the photochemical formation of ozone and fine PM.

Figure 1-3
2023 NOx Baseline Inventory



Source: South Coast AQMD, 2016 Air Quality Management Plan, Potential Strategies for Facility-Based Mobile Source Measures, May 4, 2018, page 2-2, http://www.aqmd.gov/docs/default-source/Agendas/Governing-Board/2018/2018-may4-032.pdf**.**

Warehouse Distribution Centers

The 2016 AQMP included Control Measure MOB-03 – Emission Reductions at Warehouse Distribution Centers which required the assessment and identification of potential actions to reduce emissions associated with mobile sources operating in and out of warehouse distribution centers.[9]

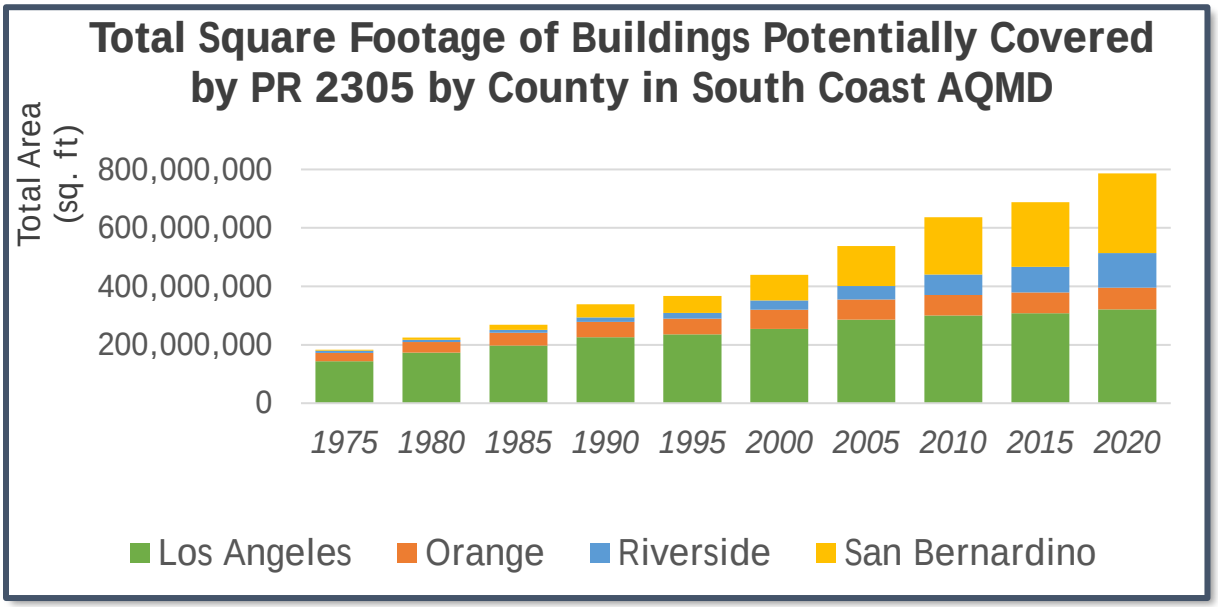
Distribution centers and/or warehouses are facilities that serve as a distribution point for the transfer of goods and have a variety of emission sources. In particular, depending on the size and type, a warehouse distribution center may attract hundreds of diesel trucks each day which deliver, load, and/or unload goods, often operating seven days a week. Further, if the warehouse distribution center needs to transport perishable goods which require refrigeration, the trucks are equipped with diesel-fueled TRUs. In addition, diesel-fueled cargo handling equipment (CHE) such as yard tractors are utilized to move goods throughout the warehouse and onto or off of the trucks. Lastly, warehouse employees commute trips via gasoline or diesel-fueled passenger vehicles also contribute to the overall emissions. Thus, emissions from trucks with or without

[9] South Coast AQMD, Final 2016 Air Quality Management Plan, March 2017. https://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/final-2016-aqmp

TRUs, CHEs and warehouse employees all contribute to the overall emissions profile associated with warehouse distribution centers.

The estimates presented in Figure 1-3 indicate the majority of NOx emissions are primarily from heavy-duty diesel trucks. Over the past decade, the capacity and quantity of warehouse distribution centers have been increasing rapidly throughout the region (Figure 1-4), future growth of this sector is projected to continue, with the greatest growth occurring in the Inland Empire (e.g., an additional 15 million square feet per year to the regional building stock).[10]

Figure 1-4
Total Square Footage of Building Potentially Covered by PR 2305 by County in South Coast AQMD



Source: South Coast AQMD, Mobile Source Committee Meeting, January 24, 2020, page 8, http://www.aqmd.gov/docs/default-source/Agendas/Mobile-Source/msc012420.pdf?sfvrsn=26**.**

Working Groups

In order to evaluate potential emission reduction strategies for the FBMSMs, including Control Measure MOB-03, South Coast AQMD staff convened FBMSM Working Groups with stakeholders to explore voluntary, collaborative approaches in addition to potential regulatory approaches to reduce emissions from facilities following adoption of the 2016 AQMP. A total of 17 working group meetings for all FBMSMs were held in the first year following the adoption of the 2016 AQMP in March 2017, with three meetings held on June 1, 2017, October 4, 2017, and January 17, 2018 which specifically focused on warehouses.

After considering the recommendations by South Coast AQMD staff on potential voluntary and regulatory strategies developed from the FBMSM Working Group Meetings, the South Coast AQMD Governing Board, at the May 4, 2018 Public Hearing, directed staff to initiate the development of an ISR for warehouses and distribution centers. The Warehouse ISR Working Group was formed to discuss warehouse air quality related issues and to provide feedback on a

[10] South Coast AQMD, March 2, 2018 Board Meeting Agenda, Potential Strategies for Facility-Based Mobile Source Measures Adopted in 2016 AQMP. Accessed on August, 14, 2020. http://www.aqmd.gov/docs/default-source/Agendas/Governing-Board/2018/2018-mar2-032.pdf.

potential ISR approach and ten meetings were held on the following dates: August 1, 2018, August 23, 2018, October 24, 2018, March 22, 2019, August 23, 2019, September 19, 2019, November 13, 2019, December 10, 2019, March 3, 2020, October 9, 2020, and October 30, 2020. Additional working group meetings continue to be held as part of the rule development process. Presentations for the FBMSM and the Warehouse ISR Working Group meetings are available on the South Coast AQMD's website at: http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/facility-based-mobile-source-measures/fbmsm-mtngs.

Warehouse ISR

Recognizing the importance of reducing criteria pollutant emissions from facilities that attract mobile emission sources, federal law allows states to adopt indirect source regulations. California law explicitly provides ISR authority to local air districts. [Health and Safety Code Sections 40716(a)(1), 40440]. An indirect source is defined in the Federal CAA as "a facility, building, structure, installation, real property, road, or highway which attracts, or may attract, mobile sources of pollution." [42 United States Code (USC) Section 7410(a)(5)(C)].

As such, the following potential options for reducing emissions from this source category were discussed in the Warehouse ISR Working Group:

- Facility Caps: Allow emissions at each warehouse distribution center to be capped so each warehouse distribution center would have the flexibility to individually determine how to reduce emissions.
- Local Government Measures: Local governments may decide to tailor emission reduction strategies to address local needs (e.g., through their land use authority).
- Clean Fleets Crediting/Banking Program: Allow clean fleets to generate credits that would be managed through a bank while requiring ISR facilities to regularly purchase and apply the credits to offset emissions from individual warehouse distribution centers.
- Voluntary Fleet Certification Program: Allow fleet owners to certify their fleets are cleaner than what would otherwise be required by CARB regulations while requiring facilities to use a prescribed amount of certified fleets.
- Best Management Practices (BMPs): Allow facilities to choose from an assortment of BMPs such as utilizing ZE or NZE equipment on site, and/or installing ZE/NZE fueling and charging infrastructure, or solar energy storage.
- Mitigation Fees: Allow facilities to pay mitigation fees if other options are not chosen and apply collected funds to subsidize the purchase and use of ZE/NZE equipment or the installation of fueling/charging infrastructure.

Of these options, only the Best Management Practices (now the WAIRE Menu and custom WAIRE Plan option) and the Mitigation Fee options have been carried forward to PR 2305.

The proposed WAIRE Program (PR 2305) includes a menu of actions and/or investments that facility owners or operators can implement, with each menu item having a defined number of WAIRE Points. Each operator of a warehouse with greater than or equal to 100,000 square feet of indoor floor space in a single building that may be used for warehousing activities by one or more warehouse operators would need to demonstrate that a requisite number of WAIRE Points have been earned each year from the WAIRE Menu. Alternatively, warehouse operators can apply to earn WAIRE Points from a custom WAIRE Plan that they develop and implement, if approved by

South Coast AQMD. Finally, warehouse operators could choose to pay a mitigation fee to earn WAIRE Points if they do not want to complete actions from the WAIRE Menu or develop and implement a custom WAIRE Plan.

For warehouses greater than or equal to 100,000 square feet in size, but with warehousing activities less than 100,000 square feet, operators would only have to comply with the reporting requirements in PR 2305. Operators in a multi-tenant warehouse whose total building includes greater than or equal to 100,000 square feet of warehousing activities would also be required to earn WAIRE Points if they use more than 50,000 square feet of floor space for warehousing activities. Some limited reporting requirements in PR 2305 would also apply to warehouse owners. If excess WAIRE Points are earned beyond the WAIRE Points Compliance Obligation (WPCO) for a given year, any accumulation of extra WAIRE Points would be banked for use in any of the following three years at that site. A warehouse operator could also transfer their excess WAIRE Points to a different warehouse that they operate, or to the warehouse owner for use at that site. The WAIRE Points obligation in PR 2305 would not apply to a warehouse owner or fleet owner, unless the warehouse owner or fleet owner is also a warehouse operator.

AIR QUALITY REGULATORY ENVIRONMENT

Overview of Current Regulatory Requirements

There are many existing and upcoming air quality regulations at the state and federal level that focus on emissions from the mobile sources associated with warehouses. These can broadly be placed into three categories. First are regulations that aim to reduce emissions at the tailpipe of a vehicle, commonly called engine standards. These regulations typically focus on requirements for new vehicles. Second are regulations that aim to replace older vehicles with newer vehicles with cleaner technologies, often called fleet rules. Third are regulations that focus on air quality impacts from facilities. These regulations look at the activities associated with a facility and aim to reduce air quality impacts beyond what is already required by engine standards or fleet rules. Key examples of these three types of regulations that address air quality impacts from warehouses are presented in Figures 1-5a and 1-5b as follows.

Figure 1-5a
Key Existing Regulations that Address Air Quality Impacts from Warehouses

Engine Standards	Fleet Rules	Facility-Based Rules
•U.S. EPA Heavy Duty Highway Engine Standards[1] •U.S. EPA Phase 2 GHG Standards[2] •U.S. EPA Non-Road Diesel Engines and Fuel Standards[3] •U.S. EPA Non-Road Large Spark Ignition Engines Standards[4] •CARB Phase 2 GHG Standards[5] •CARB Advanced Clean Cars Program[6] •CARB Optional Low NOx Standards[7] •CARB Heavy Duty Low NOx Omnibus Rule[8]	•CARB Truck and Bus Rule[9] •CARB Transportation Refrigeration Unit (TRU) Air Toxics Control Measure (ATCM)[10] •CARB In-Use Off-Road Diesel Rule[11] •CARB Large Spark Ignition (LSI) Rule[12]	•CEQA (for new projects)[13] •South Coast AQMD Rule 2202 (Employee Commute Reduction)[14]

[1] United States Environment Protection Agency, EPA Emission Standards for Heavy-Duty Highway Engines and Vehicles, March 2016, https://www.epa.gov/emission-standards-reference-guide/epa-emission-standards-heavy-duty-highway-engines-and-vehicles

[2] United States Environment Protection Agency, Final Rule for Phase 2 Greenhouse Gas Emissions Standards and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles, October 25, 2016, https://www.govinfo.gov/content/pkg/FR-2016-10-25/pdf/2016-21203.pdf

[3] United States Environment Protection Agency, Control of Emissions of Air Pollution from Nonroad Diesel Engines and Fuel; Final Rule, June 29, 2004, https://www.govinfo.gov/content/pkg/FR-2004-06-29/pdf/04-11293.pdf

[4] United States Environment Protection Agency, Control of Emissions from Nonroad Large Spark-Ignition Engines, and Recreational Engines (Marine and Land Based); Final Rule, November 8, 2002, https://www.govinfo.gov/content/pkg/FR-2002-11-08/pdf/02-23801.pdf

[5] California Air Resources Board, California Phase 2 Greenhouse Gas Standards, 2018, https://ww3.arb.ca.gov/regact/2018/phase2/finalatta.pdf

[6] California Air Resources Board, Advanced Clean Car Program, 2020, https://ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-program

[7] California Air Resources Board, Optional Reduced NOx Standards for Heavy-Duty Vehicles, 2020, https://ww2.arb.ca.gov/our-work/programs/optional-reduced-nox-standards

[8] California Air Resources Board, Heavy-Duty Engine and Vehicle Omnibus Regulation and Associated Amendments, August 27,2020, https://ww3.arb.ca.gov/regact/2020/hdomnibuslownox/res20-23.pdf

[9] California Air Resources Board, Truck and Bus Regulation, 2018, https://ww3.arb.ca.gov/msprog/onrdiesel/documents/tbfinalreg.pdf

[10] California Air Resources Board, Airborne Toxic Control Measure for In-Use Diesel-Fueled Transport Refrigeration Units (TRU) and TRU Generator Sets, and Facilities Where TRUs Operate., October 16, 2012, https://ww2.arb.ca.gov/sites/default/files/classic//diesel/tru/documents/fro_10-16-12.pdf

[11] California Air Resources Board, Regulation for In-Use Off-Road Diesel-Fueled Fleets, December 2011, https://ww2.arb.ca.gov/sites/default/files/classic/msprog/ordiesel/documents/finalregorder-dec2011.pdf

[12] California Air Resources Board, Large Spark-Ignition (LSI) Engine Fleet Requirements Regulation, 2020, https://ww2.arb.ca.gov/our-work/programs/large-spark-ignition-lsi-engine-fleet-requirements-regulation

[13] Association of Environmental Professionals,2020 CEQA California Environmental Quality Act Statutes and Guidelines, https://www.califaep.org/docs/2020_ceqa_book.pdf, 2020, https://ww2.arb.ca.gov/sites/default/files/classic/msprog/ordiesel/documents/finalregorder-dec2011.pdf

[14] California Air Resources Board, Rule 2202 ─ On-Road Motor Vehicle Mitigation Options, Employee Commute Reduction Program Guidelines, February 5, 2016, http://www.aqmd.gov/docs/default-source/rule-book/support-documents/rule-2202/rule-2202-employee-commute-reduction-program-guidelines-(ecrp).pdf

Figure 1-5b
Potential Upcoming Regulations that would Reduce Air Quality Impacts from Warehouses

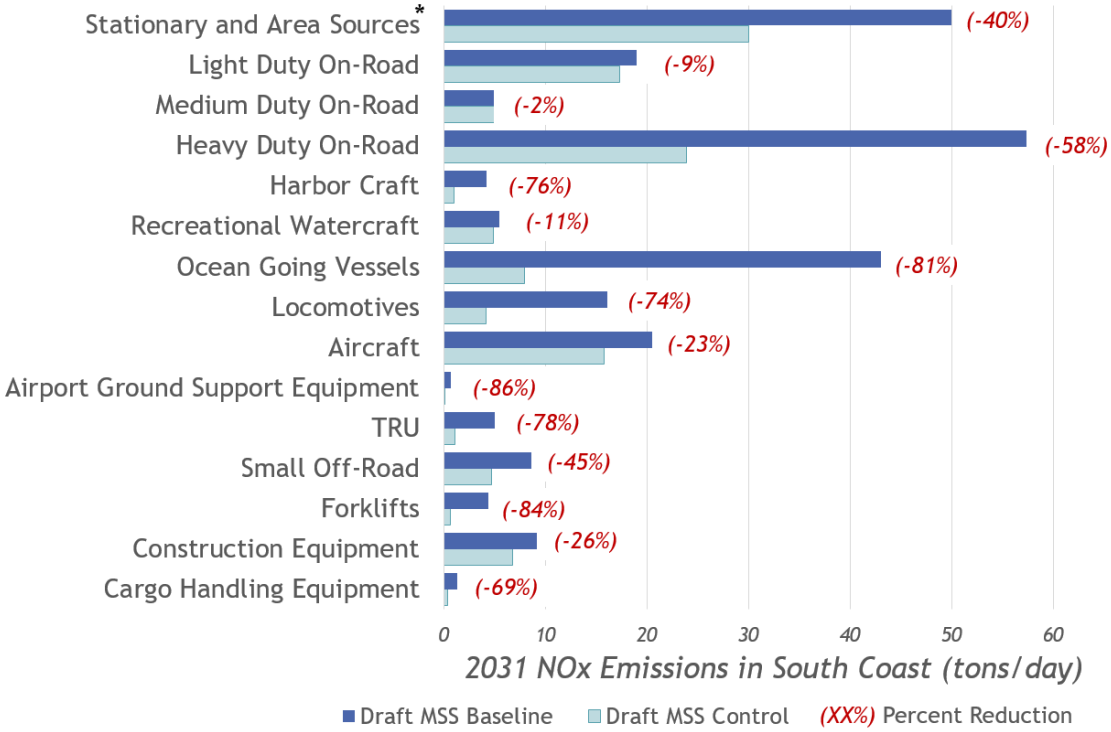
Engine Standards	Fleet Rules	Facility-Based Rules
•U.S. EPA Cleaner Trucks Initiative[1] •CARB Advanced Clean Trucks[2] •CARB TRU Rule[3] •CARB's Small Off-Road Engines[4] •CARB's Advanced Clean Cars 2[4]	•CARB Zero Emission Fleet Rule[5] •CARB Innovative Clean Transit[6] •CARB TRU Rule[3] •CARB Lower In-Use Emission Performance Levels[4] •CARB's Innovative Technology Certification Flexibility[4] •South Coast AQMD Further Deployment of Cleaner Technologies[4] •CARB's Zero-Emission Off-Road Forklift Regulation Phase 1[4]	•CARB TRU Rule[3] •**South Coast AQMD PR 2305 Indirect Source Rule**

[1] United States Environment Protection Agency, Cleaner Trucks Initiative, March 27, 2020, https://www.epa.gov/regulations-emissions-vehicles-and-engines/cleaner-trucks-initiative
[2] California Air Resources Board, Advanced Clean Trucks, 2020, https://ww2.arb.ca.gov/our-work/programs/advanced-clean-trucks
[3] California Air Resources Board, New Transport Refrigeration Unit Regulation in Development, 2020, https://ww2.arb.ca.gov/our-work/programs/transport-refrigeration-unit/new-transport-refrigeration-unit-regulation
[4] California Air Resources Board, Revised Proposed 2016 State Strategy for the State Implementation Plan, March 27, 2017, https://ww3.arb.ca.gov/planning/sip/2016sip/rev2016statesip.pdf
[5] California Air Resources Board, Advanced Clean Fleets, 2020, https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets
[6] California Air Resources Board, Innovative Clean Transit, 2020, https://ww2.arb.ca.gov/our-work/programs/innovative-clean-transit

The effect of all existing regulations in Figure 1-5a was considered in the 2016 AQMP. The emission reductions from these key regulations and all other existing regulations is reflected in the reduced emissions shown in Figure 1-2. In order to evaluate the potential effect of upcoming regulations shown in Figure 1-5b (as well as other potential future actions) CARB is developing an update to its Mobile Source Strategy (MSS). This draft document evaluates emissions from all mobile source sectors and identifies potential targets for future regulations in order to meet the various state goals for air pollution and climate impacts.[11] A summary of the emission reductions CARB is targeting in 2031 from all vehicle sectors is shown in Figure 1-6.

[11] Draft MSS available here: https://ww2.arb.ca.gov/resources/documents/2020-mobile-source-strategy

Figure 1-6
2031 Emission Reduction Targets in CARB Mobile Source Strategy



Source: South Coast AQMD, Warehouse ISR Working Group Presentation, October 9, 2020, page 8 https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/draft-slides.pdf**.**

There are three key conclusions that can be drawn from the MSS analysis:

1. Significant emissions reductions are required from all mobile source sectors in order to meet 2031 ozone standards.
2. The draft MSS analysis does not evaluate the 2023 ozone standard, and its proposed strategy will not meet this standard.
3. Some mobile source sectors with significant emissions and targeted emission reductions (e.g., ocean going vessels, locomotives, aircraft) may require regulations from either the federal government or from international bodies. Emission reductions from these sectors are therefore likely more difficult than sources that operate solely within the state. If shortfalls occur from these sectors, more emissions reductions from other sectors (e.g., trucks) may by required.

Other State And South Coast AQMD Requirements

Executive Order N-79-20[12]

On September 23, 2020, Governor Newsom signed an executive order directing state agencies to pursue aggressive goals towards zero emissions technologies. Key directives include:

- CARB shall develop and propose car and truck regulations with increasing zero emissions percentages such that by 2035 all in state sales are zero emissions.
- CARB shall also pursue regulations to achieve a 100 percent zero emissions medium duty and heavy duty fleet by 2045.
- CARB shall develop, in coordination with state agencies, U.S. EPA, and local air districts, strategies to achieve 100 percent zero emissions operations for off-road vehicles by 2035.

[12] https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-text.pdf

AB 617 Community Air Protection Program

In 2017, Governor Edmund Brown signed Assembly Bill (AB) 617 to develop a new community-focused program to reduce local air pollution in environmental justice communities more effectively. The AB 617 program includes community air monitoring and community emissions reduction programs. In addition, the legislature appropriated funding to support early actions to address localized air pollution through targeted incentive funding to deploy cleaner technologies in these communities, and grants to support community participation in the AB 617 process. AB 617 includes new requirements for accelerated retrofit of air pollution controls on industrial sources, increased penalty fees, and greater transparency and availability of air quality and emissions data, which will help advance air pollution control efforts throughout the State.

In December 2018, CARB designated three AB 617 communities in the South Coast AQMD, including Wilmington, Carson, West Long Beach; San Bernardino, Muscoy; and East Los Angeles, Boyle Heights, West Commerce. A Community Steering Committee (CSC) was established for each community to gather input and develop Community Emission Reduction Plans (CERPs) and Community Air Monitoring Plans (CAMPs). The CSCs are comprised of residents, community organizations, local agencies, and businesses. Each CERP includes actions, strategies, and goals focused on emission and exposure reductions for air quality priorities identified by the CSCs. In September 2019, the South Coast AQMD Governing Board adopted the CERPs. Due to concerns expressed by the CSCs about local air quality impacts in their communities from trucks going to warehouses, all three 1st Year CERPs include as an action item that South Coast AQMD should continue developing an indirect source rule for warehouses (i.e. PR 2305).

In December 2019, CARB designated two new AB 617 communities in the South Coast AQMD, including Eastern Coachella Valley and Southeast Los Angeles. A CSC has been established for the communities, and they are working on developing CERPs and CAMPs. Finally, in October 2020, the South Coast AQMD Board voted to designate a sixth AB 617 community in the South Los Angeles area.

As demonstrated above, additional actions are needed to meet both the 2023 and the 2031 federal ozone standards as well as addressing concerns about local air quality. PR 2305 is designed to provide additional emission reductions on its own, and to facilitate emission reductions from other proposed regulations to assist in meeting these air quality standards. These actions will also assist in reducing local air quality impacts and will also facilitate the transition to zero emissions vehicles.

PROJECT DESCRIPTION

The proposed project is comprised of PR 2305 and the associated mitigation program, and PR 316. The purpose of PR 2305 is to facilitate NOx and PM, including DPM, emission reductions associated with warehouses and the mobile sources attracted to applicable warehouses in order to assist in meeting state and federal air quality standards for ozone and fine particulate matter. Implementation of the proposed project is expected to result in NOx and PM, including DPM, emission reductions and reduced associated public health impacts from warehouse activities which will vary depending upon the implementation measures employed. Estimated emission benefits from this project, including any that are creditable towards the SIP, will be included in the Environmental Assessment.

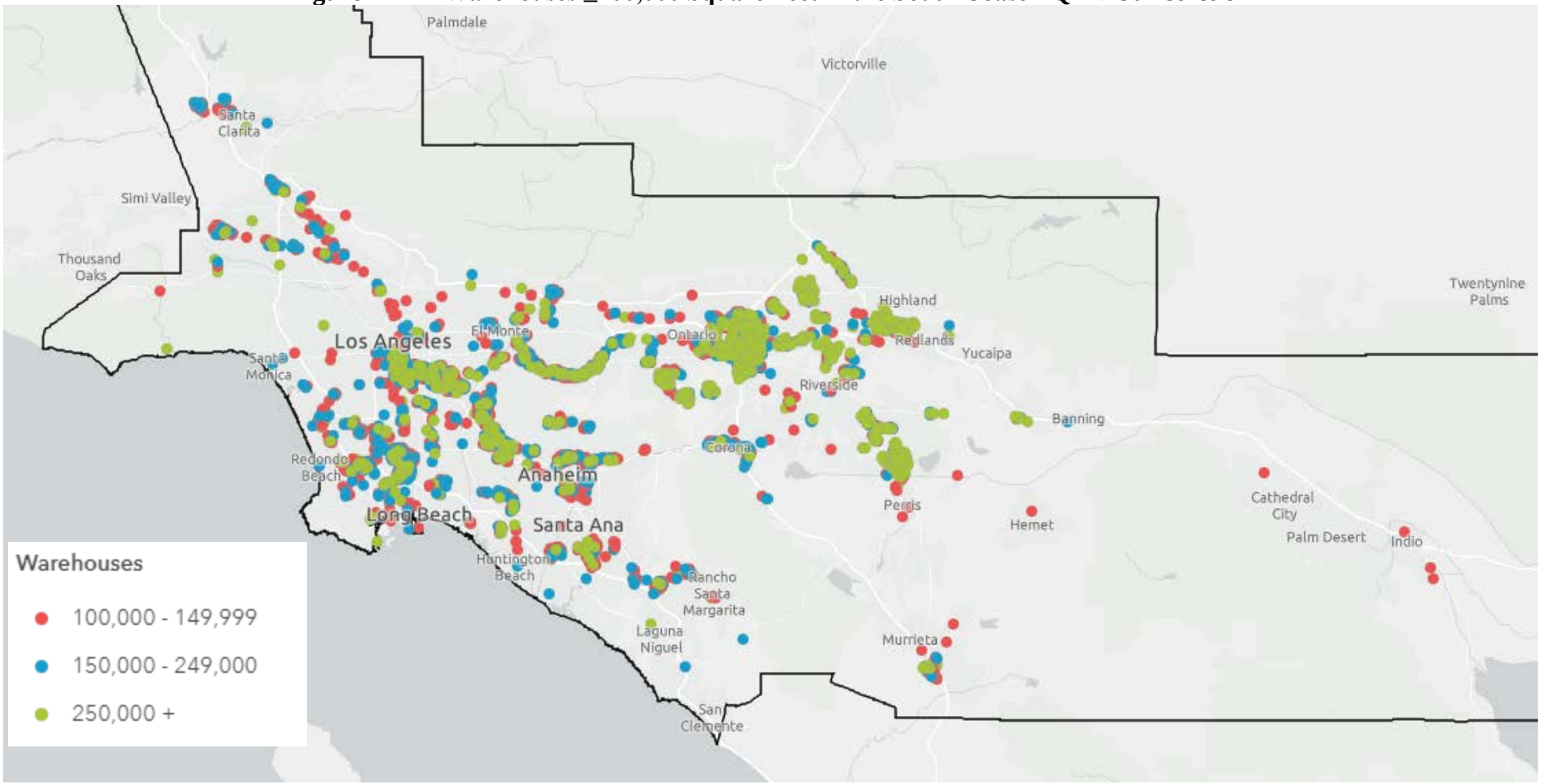
The purpose of PR 316 is to establish a mechanism for the collection of administrative fees to be paid by warehouses subject to PR 2305 to recover South Coast AQMD administrative costs associated with review of various notifications, custom WAIRE Plan evaluation, reports and mitigation fees, as well as compliance activities such as conducting desktop audits, onsite inspections, and reviewing records.

Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program

The section provides a detailed summary of the key elements contained in PR 2305. A preliminary draft of PR 2305 can be found in Appendix A. PR 2305 is designed to apply to any new or existing warehouse located within South Coast AQMD's jurisdiction with an indoor warehouse floor space equal to or greater than 100,000 square feet within a single building that may be used for warehousing activities by one or more warehouse operators. PR 2305 also applies to manufacturing or other facilities that have ancillary warehouses with equal to or greater than 100,000 square feet of indoor floor space in a single building.

Implementation of PR 2305 would initially affect about 3,320 warehouses. Some of these facilities have more than one tenant, so there are potentially a total of about 5,600 warehouse operators that may be subject to the rule. As new facilities are built, they would also become subject to the rule. It is expected that about 418 of these facilities and about 2,100 of these operators would only be subject to reporting requirements in PR 2305. Figure 1-7 shows the location of these existing facilities within South Coast AQMD's jurisdiction.

Figure 1-7 Warehouses ≥100,000 Square Feet in the South Coast AQMD Jurisdiction



The WAIRE program under PR 2305 is being developed so operators of applicable warehouses can implement changes to reduce emissions from mobile sources associated with their operations. Under this program, the number of annual truck trips for applicable warehouses must be reported. These truck trips in turn are converted into each operator's WPCO. The WPCO can be satisfied by earning WAIRE Points by completing actions and investments from the WAIRE Menu, completing actions from an approved custom WAIRE Plan, or paying the optional mitigation fee.

Calculating WPCO

A warehouse's WPCO is calculated by multiplying the number of weighted annual truck trips (WATTs) by a Stringency factor and an Annual Variable as shown in the following equation.

$$WPCO = WATTS \; x \; Stringency \; x \; (Annual \; Variable)$$

Where:

- WPCO is the number of WAIRE Points a warehouse operator must earn in a year.
- WATTs are the number of Weighted Annual Truck Trips
- Stringency factor is a dimensionless multiplier that determines how many Points an operator needs to earn
- The Annual Variable is a dimensionless multiplier which controls how the stringency will phase in through time

WATTs include the number of all actual truck trips from Class 2b to Class 8 vehicles that occurred at a warehouse (e.g., the number of trips to and from the warehouse) while the warehouse operator was responsible for operations during the previous 12-month compliance period. If a warehouse is occupied by more than one warehouse operator, the WATTs are only the truck trips attributed to that operator. Warehouse operators would be required to count and report all of the trucks entering their facility to determine the WATTs in every compliance year.

WATTs are calculated according to the following equation:

$$WATTS = [Class \; 2b \; to \; 7 \; truck \; trips] + [2.5 \; x \; Class \; 8 \; truck \; trips]$$

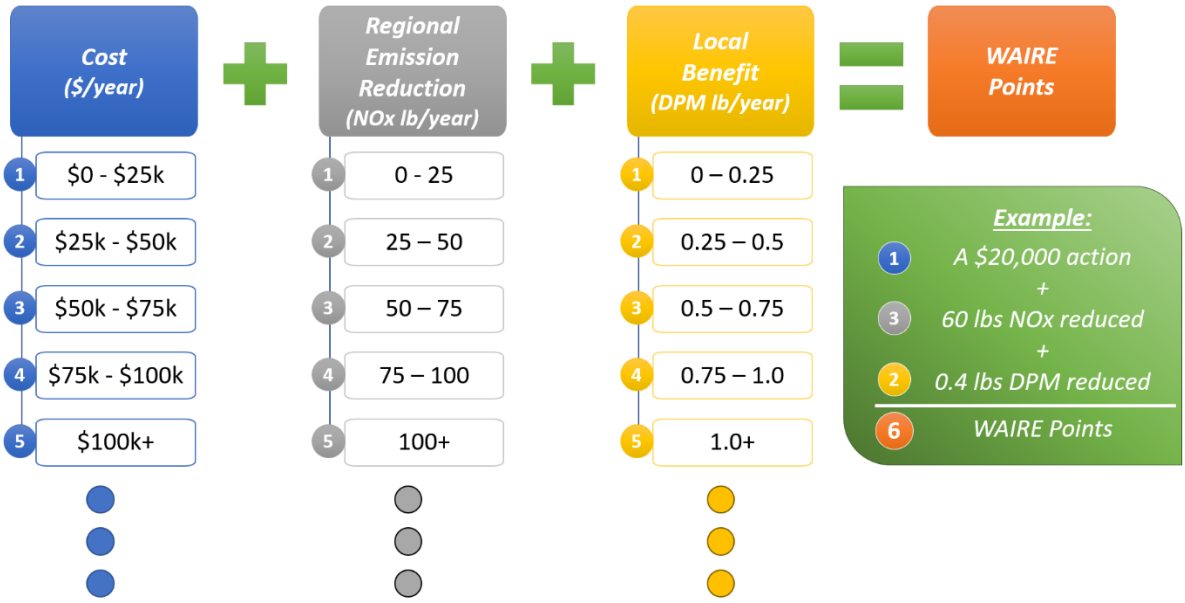
In the rare event of a force majeure event such that the warehouse operator does not have truck trip information (e.g., records destroyed in a fire), then the WATTs are determined using default average truck trip rates.

$$WATTSalt = Days \; per \; Year \; x \; Warehouse \; Size \; x \; WTTR$$

Earning WAIRE Points

WAIRE Points can be earned by completing actions and investments from the following menu of implementation measures: 1) acquiring and/or using NZE and ZE trucks; 2) acquiring and/or using ZE yard trucks; 3) installing and/or using ZE charging/fueling infrastructure (e.g., electric charger, hydrogen fuel station) for cars, trucks, and/or TRUs; 4) installing and/or using onsite energy systems (e.g., solar panels); and 5) implementing community benefits (e.g., air filters for sensitive receptors). In addition, warehouse operators may apply to earn WAIRE Points through a custom WAIRE Plan specific to their operations that satisfy strict criteria.

The WAIRE point system considers the annualized cost of installing and/or operating vehicles/infrastructure; the amount of regional NOx emissions reductions; and the local DPM emissions reduction benefit, which are weighted equally using the following equation:



WAIRE Points may be earned only for actions that go beyond existing state and federal regulations. If adopted, PR 2305 will interact with other existing and upcoming regulations and incentive programs in varying ways. For example, some incentive programs like Carl Moyer prohibit using funds to comply with a regulation. A warehouse operator that owns a fleet may not use Carl Moyer funds to purchase a truck and also earn WAIRE Points for that truck purchase. However, visits to a warehouse from a truck that was funded through the Carl Moyer program can still earn WAIRE Points because Carl Moyer does not require localized emission reductions near warehouses, and because the Carl Moyer program applies to truck owners and not warehouse operators. Separately, if CARB's upcoming TRU rule is approved, warehouse operators that face requirements from that rule (e.g., installing ZE TRU charging infrastructure) will not be able to use those actions to comply with PR 2305. However, if they implement actions beyond CARB requirements, or earlier than required by CARB, then they would be able to earn WAIRE Points for those actions.

In lieu of satisfying the WPCO via the WAIRE Menu, a warehouse operator may choose two other options. The first is to prepare and then implement a custom WAIRE Plan tailored to their site that will achieve an equal number of WAIRE Points as would be obtained implementing actions from the WAIRE Menu. The types of projects that might fit within this approach that have been suggested by industry stakeholders include modifying a building's energy use throughout the day to draw more energy from renewable power sources (like solar) rather than natural gas fueled power plants, or installing ZE charging infrastructure for onroad trucks at an offsite location, perhaps in cooperation with other nearby warehouse operators.

The custom WAIRE Plan application shall follow the WAIRE Implementation Guidelines and the following criteria:

- Custom WAIRE Plan applications must demonstrate how the proposed action will earn WAIRE Points based on the incremental cost of the action, the NOx emission reductions from the action, and the DPM emission reductions from the action, relative to baseline conditions if the warehouse operator had not completed the action in that compliance year.
- Any WAIRE Points for emission reductions must be quantifiable, verifiable, and real as determined by the Executive Officer and consistent with the WAIRE Implementation Guidelines.
- Custom WAIRE Plan applications must include the following elements:
    - A description of how the proposed actions will achieve quantifiable, verifiable, and real NOx and DPM emission reductions as quickly as feasible, but no later than three years after plan approval; and
    - A quantification of expected NOx and/or DPM emission reductions from the proposed project within the South Coast AQMD and within three miles of the warehouse; and
    - A description of the method to be used to verify that the proposed project will achieve NOx and/or DPM emission reductions; and
    - A schedule of key milestones showing the increments of progress to complete the proposed project; and
    - A description of the location and a map of where the proposed project will occur; and
    - Any expected permits or approvals required by other private parties, or South Coast AQMD, or other federal, state, or local government agencies to implement the proposed plan.

Any proposed plan that relies on vehicle miles travelled (VMT) reduction must demonstrate that these reductions are surplus to what is included in the most recent approved Regional Transportation Plan (RTP) and AQMP.

The second option is that warehouse operators may elect to pay an optional mitigation fee to the South Coast AQMD that would be used in a mitigation program to achieve the emissions reductions. Similar to the measures used to earn WAIRE Points, the mitigation program would implement measures such as subsidizing the purchase of NZE and ZE trucks and/or the installation of charging and fueling infrastructure for ZE trucks. The mitigation program would prioritize use of the mitigation fees in areas near the warehouses using this compliance option. Therefore, the environmental impacts associated with the mitigation program are similar to implementation of measures to earn WAIRE Points and are analyzed in this NOP/IS.

Transferring WAIRE Points

WAIRE Points accumulated by a warehouse owner or operator in a given compliance year can be transferred in one of three limited ways. First, an operator may transfer excess WAIRE Points from one of its warehouses to another of its warehouses. WAIRE Points transferred under this scenario are subject to a reduction via a locational discount to encourage emission reductions within the immediate vicinity of warehouses. The locational discount is intended to account for the reduced health benefits within the immediate vicinity of a warehouse that utilizes WAIRE Points earned at another warehouse. The net effect of applying a locational discount would result in the warehouse

needing to secure more WAIRE Points via transfer than if it had otherwise self-generated WAIRE Points.

Second, operators may bank WAIRE Points earned in excess of their WPCO for up to three years for use at the warehouse where the points were earned provided that the actions from the WAIRE Menu used to earn those points are not otherwise required by U.S. EPA, CARB or South Coast AQMD regulatory requirements in place at the time of surrender. For example, while points may be earned prior to the adoption of a pending regulatory requirement, once the regulatory requirement is in effect, the points may not be used for future years. Furthermore, owners or operators transferring WAIRE Points to a different compliance year shall demonstrate that any onsite improvements or equipment installations that were used to earn the WAIRE Points being transferred are still operational at that warehouse facility in the year that WAIRE Points are used. WAIRE Points that are banked from one year to another are not allowed to be transferred to a different site. Similarly, WAIRE Points transferred to another site are not allowed to be banked to a later year.

Third, a warehouse owner may earn points and transfer the points to an operator of the same warehouse, and vice-versa, subject to the three-year WAIRE Points banking limitation. Transfers of WAIRE Points are allowed within an individual warehouse (e.g., from owner to operator) or between warehouses controlled by the same operator. Transfers between different operators at different warehouses are prohibited.

Reporting, Notification, and Recordkeeping Requirements

There are three types of reports required by PR 2305. The first is a Warehouse Operations Notification. Warehouse owners will be required to notify the South Coast AQMD when any of the following conditions occur:

- Within 60 calendar days after adoption of PR 2305;
- Within 14 calendar days after a new warehouse operator has the ability to use at least 50,000 square feet of a warehouse that has greater than or equal to 100,000 square feet used for warehousing activities;
- Within 30 calendar days after a renovated warehouse has received a certificate of occupancy from the local land use agency such that the total warehouse space that may be used for warehousing activities has increased or decreased; or
- Within three calendar days of a request from the Executive Officer.

This notification will need to contain basic information about the site, such as building size and how much of the building is used for warehousing activities, and the name and contact information of any tenant leasing the property and the length of the lease term. Many of the 3,320 initially identified facilities may not ultimately be required to earn WAIRE Points based on data provided in these Warehouse Operations Notification reports. For example, a building that is 100,000 square feet in size that has only 80,000 square feet used for warehousing and 20,000 square feet used for offices would not be subject to the parts of PR 2305 that requires operators to earn WAIRE Points. Other reasons that operators may not be required to earn WAIRE Points could include that the facility is not currently used for warehousing activity at all (e.g., it is used only for manufacturing, or is used as a church), or that no operator uses more than 50,000 square feet for warehousing activity in a building with multiple tenants.

The second type of report is an Initial Site Information Report that warehouse operators must submit no later than January 15 of the year that they must submit their first Annual WAIRE Report (the third type of report). This Initial Site Information Report will include more detailed information pertaining to warehouse characteristics, truck trip data, fleet data if they own a fleet, and the anticipated implementation approach to satisfy the WPCO for the next compliance period. Finally, warehouse operators required to satisfy a WPCO must submit an Annual WAIRE Report that includes truck trip data (used to determine their site-specific WPCO), details on actions that were implemented to earn WAIRE Points, and how many WAIRE Points were earned for the prior 12-month compliance period.

Timing of WAIRE Program

Implementation of PR 2305 will be annually phased-in according to warehouse size. As summarized in Table 1-2, the first compliance period is applicable to warehouses with the largest footprint of floor space (e.g., greater than 250,000 square feet) with the Initial Site Information Report due by January 1, 2022 and the Annual WAIRE Report due by August 2, 2022.

Table 1-2 PR 2305 First Annual WAIRE Report Dates

Warehouse Size (square feet)	First Annual WAIRE Report Date
Greater than or equal to (≥) 250,000 square feet	August 2, 2022
≥to 150,000 square feet	August 1, 2023
≥to 100,000 square feet	July 31, 2024

Proposed Rule 316 – Fees for Regulation XXIII

The proposed project also includes Proposed Rule 316 – Fees for Regulation XXIII. These administrative fees will be paid by facilities subject to PR 2305 every year to cover the costs associated with submittal and review of various notifications, reports and mitigation fees, as well as compliance activities such as conducting desktop audits, onsite inspections, and reviewing records. Specific administrative fees are proposed for submitting an Annual WAIRE Report, Initial Site Information Report, Warehouse Operations Notification, custom WAIRE Plan Evaluation, and/or Mitigation Fee. PR 316 also includes a fee schedule to address late fees and provides for a fee exemption for warehouses with less than 100,000 square feet of floor area within a single building used for warehousing activities for that year. A preliminary draft of PR 316 can be found in Appendix B.

PR 316 would individually qualify for a statutory exemption under CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, however it is being included as part of the project description for clarity and to give a complete description of the proposed project.

ALTERNATIVES

The Draft EA will discuss and compare a range of reasonable alternatives to the proposed project as required by CEQA Guidelines Section 15126.6 and by South Coast AQMD Rule 110 for environmental topics areas with potentially significant adverse impacts. Alternatives must include realistic measures for attaining the basic objectives of the proposed project and provide a means for evaluating the comparative merits of each alternative. In addition, the range of alternatives must be sufficient to permit a reasoned choice and it need not include every conceivable project alternative. The key issue is whether the selection and discussion of alternatives fosters informed

decision making and public participation. A CEQA document need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

South Coast AQMD Rule 110 (the rule which implements the South Coast AQMD's certified regulatory program) does not impose any greater requirements for a discussion of project alternatives in an EA than are required for an Environmental Impact Report (EIR) under CEQA. Alternatives will be developed based in part on the major components of the proposed project which may result in physical modifications resulting in potential environmental impacts. The rationale for selecting alternatives rests on CEQA's requirement to present "realistic" alternatives; that is alternatives that can actually be implemented. CEQA also requires an evaluation of a "no project alternative." Pursuant to CEQA Guidelines Section 15126.6(e)(2), if the environmentally superior alternative is the "no project" alternative, the CEQA document shall also identify an alternate environmentally superior alternative from among the other alternatives.

In addition, South Coast AQMD's policy document Environmental Justice Program Enhancements for fiscal year (FY) 2002-03, Enhancement II-1 recommends all South Coast AQMD environmental analysis under CEQA include and identify a feasible project alternative with the lowest air toxics emissions. In other words, for any major equipment or process type under the scope of the proposed project that creates a significant environmental impact, at least one alternative, where feasible, shall be considered from a "least harmful" perspective with regard to hazardous or toxic air pollutants.

The South Coast AQMD Governing Board may choose to adopt any portion or the entirety of any alternative presented in the EA with appropriate findings as required by CEQA because the impacts of each alternative will be fully disclosed to the public and the public will have the opportunity to comment on the alternatives and impacts generated by each alternative. Written suggestions on potential project alternatives received during the comment period for the Initial Study will be considered when preparing the Draft EA.

CHAPTER 2

ENVIRONMENTAL CHECKLIST

INTRODUCTION

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

GENERAL INFORMATION

Project Title:	Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program; and Proposed Rule 316 – Fees for Regulation XXIII
Lead Agency Name:	South Coast Air Quality Management District
Lead Agency Address:	21865 Copley Drive Diamond Bar, CA 91765
CEQA Contact Person:	Ryan Bañuelos, (909) 396-3479, rbanuelos@aqmd.gov
Rules Contact Person:	Victor Juan, (909) 396-2374, vjuan@aqmd.gov
Project Sponsor's Name:	South Coast Air Quality Management District
Project Sponsor's Address:	21865 Copley Drive Diamond Bar, CA 91765
General Plan Designation:	Not applicable
Zoning:	Not applicable
Description of Project:	The proposed project is comprised of Proposed Rule (PR) 2305 and an associated mitigation program, and PR 316. PR 2305 has been developed to facilitate local and regional emission reductions associated with existing warehouses with an indoor warehouse floor space equal to or greater than 100,000 square feet within a single building and the mobile sources attracted to these warehouses. PR 316 has been developed to establish administrative fees to be paid by warehouses subject to PR 2305 to recover South Coast AQMD administrative costs associated with submittal and review of various notifications, custom WAIRE Plan evaluation, reports and mitigation fees, as well as compliance activities such as conducting desktop audits, onsite inspections, and reviewing records. Under PR 2305, operators of applicable warehouses would be subject to a WAIRE Points Compliance Obligation (WPCO) by which WAIRE Points can be earned by selecting from a menu of implementation measures: 1) acquiring and/or using NZE and ZE trucks; 2) acquiring and/or using ZE yard trucks; 3) installing and/or using ZE charging/fueling infrastructure (e.g., electric charger,

	hydrogen fuel station) for cars, trucks, and/or TRUs; 4) installing and/or using onsite energy systems (e.g., solar panels); and 5) implementing community benefits (e.g., air filters for sensitive receptors). WAIRE Points may be earned only for "surplus" actions that go beyond existing state and federal regulations. In addition, warehouse operators may apply to earn WAIRE Points through a custom WAIRE Plan specific to their operations that satisfy prescribed performance metrics. In lieu of satisfying the WPCO via implementation measures, a warehouse operator may choose to pay an optional mitigation fee to the South Coast AQMD that would be used in a mitigation program to achieve the emissions reductions. Similar to the measures used to earn WAIRE Points, the mitigation program would implement measures such as subsidizing the purchase of NZE and ZE trucks and/or the installation of charging and fueling infrastructure for ZE trucks. The mitigation program would prioritize use of the mitigation fees in areas near the warehouses using this compliance option. Therefore, the environmental impacts associated with the mitigation program are similar to implementation of measures to earn WAIRE Points and are analyzed in this NOP/IS. Implementation of the proposed project is expected to result in emission reductions of NOx and particulate matter, including diesel particulate matter, and reduced associated public health impacts from warehouse activities which will vary depending upon the implementation measures employed. While reducing emissions is an environmental benefit, the NOP/IS identifies potentially significant adverse impacts to the environmental topic areas of air quality and greenhouse gas emissions, energy, and transportation (traffic). Some warehouses that will be subject to the proposed project may be identified on lists compiled by the California Department of Toxic Substances Control per Government Code Section 65962.5.
Surrounding Land Uses and Setting:	Industrial, commercial, and residential
Other Public Agencies Whose Approval is Required:	California Air Resources Board United States Environmental Protection Agency

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The following environmental impact areas have been assessed to determine their potential to be affected by the proposed project. As indicated by the checklist on the following pages, environmental topics marked with a "✓" involve at least one impact that is a "Potentially Significant Impact". An explanation relative to the determination of impacts can be found following the checklist for each area.

☐	Aesthetics	☐	Geology and Soils	☐	Population and Housing
☐	Agriculture and Forestry Resources	☐	Hazards and Hazardous Materials	☐	Public Services
☑	Air Quality and Greenhouse Gas Emissions	☐	Hydrology and Water Quality	☐	Recreation
☐	Biological Resources	☐	Land Use and Planning	☐	Solid and Hazardous Waste
☐	Cultural and Tribal Cultural Resources	☐	Mineral Resources	☑	Transportation
☑	Energy	☐	Noise	☐	Wildfire
☐	Mandatory Findings of Significance				

DETERMINATION
On the basis of this initial evaluation:

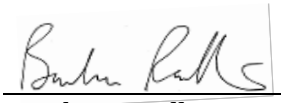
☐ I find the proposed project, in accordance with those findings made pursuant to CEQA Guidelines Section 15252, COULD NOT have a significant effect on the environment, and that an ENVIRONMENTAL ASSESSMENT with no significant impacts has been prepared.

☐ 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. An ENVIRONMENTAL ASSESSMENT with no significant impacts will be prepared.

☑ I find that the proposed project MAY have a significant effect(s) on the environment, and an ENVIRONMENTAL ASSESSMENT will be prepared.

☐ I find that the proposed project MAY have a "potentially significant 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 ASSESSMENT 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: 1) have been analyzed adequately in an earlier ENVIRONMENTAL ASSESSMENT pursuant to applicable standards; and, 2) have been avoided or mitigated pursuant to that earlier ENVIRONMENTAL ASSESSMENT, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Date: November 12, 2020 **Signature:** 

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

ENVIRONMENTAL CHECKLIST AND DISCUSSION

As explained in Chapter 1, the WAIRE program under PR 2305 provides a mechanism and accounting process by which warehouse operators can earn WAIRE Points in order to achieve emission reductions by implementing the following measures from a menu: 1) acquiring and/or using NZE and ZE trucks; 2) acquiring and/or using ZE yard trucks; 3) installing and/or using ZE charging/fueling infrastructure (e.g., electric charger, hydrogen fuel station) for cars, trucks, and/or TRUs; 4) installing and/or using onsite solar panels; and 5) implementing community benefits (e.g., air filters for sensitive receptors). In lieu of earning WAIRE Points from the WAIRE Menu, warehouse operators would have the option of either implementing an approved site-specific custom WAIRE Plan, or instead paying a mitigation fee. The South Coast AQMD would apply the collected mitigation fees to subsidize the purchase of ZE and NZE trucks and installation of ZE charging/fueling infrastructure. Analysis of PR 2305 indicates that while reducing NOx emissions from acquiring and using NZE and ZE trucks, and ZE yard trucks is an environmental benefit, secondary significant adverse environmental impacts may occur from the physical activities associated with installing or using charging/fueling infrastructure, solar panels, air filters, or carrying out activities from an approved custom plan. Some examples of potential custom WAIRE Plans include upgrades to a warehouse's energy system, installing offsite ZE charging/fueling infrastructure, demonstrating early or over-compliance with CARB rules (e.g., exceeding requirements for CARB's upcoming TRU regulation). Additional options may be proposed by warehouse operators in the future; however, it is speculative at this time to determine the full range of options that may be implemented in the future. If future custom WAIRE Plan applications propose actions that may have environmental impacts beyond the scope of the CEQA analysis conducted for PR 2305, then additional CEQA review will be conducted at that time.

PR 2305 also contains other proposed requirements which are administrative or procedural in nature (e.g., reporting, notification and recordkeeping requirements) and would not require any physical modifications to occur at any of the affected warehouses and thus, would not cause any environmental impacts.

In addition, South Coast AQMD staff has developed PR 316 which establishes an annual fee to be paid by warehouses subject to PR 2305 to recover South Coast AQMD administrative costs associated with submittal and review of various notifications, reports and mitigation fees, as well as compliance activities associated with conducting desktop audits, onsite inspections, and reviewing records. Since PR 316 is a fee rule meant to recover costs associated with the administration of PR 2305, it is administrative in nature and its implementation is not expected to cause any environmental impacts.

For these reasons, the focus of the analysis in this NOP/IS is limited to the potential secondary adverse environmental impacts associated with physical activities expected to occur at the affected warehouses in response to complying with PR 2305. While operators of warehouse facilities have the option to comply with PR 2305 by either selecting items from the WAIRE Menu, implementing an approved custom WAIRE Plan, or paying a mitigation fee to meet the WPCO, no particular approach to achieving compliance is prescribed. As such, Table 2-1 presents all options available to warehouse operators and identifies the type of corresponding physical activities that would be expected to result in potential secondary adverse impacts by environmental topic.

Table 2-1
PR 2305 Compliance Options with Potential Physical Activities and Environmental Impacts

PR 2305 Compliance Option with Potential Physical Effects	Construction Impacts?	Operational Impacts?	Environmental topic areas potentially affected
Acquiring and/or using on-road NZE and ZE trucks	Yes, if infrastructure needs to be built (e.g., electric chargers or hydrogen fueling stations for ZE trucks and natural gas fueling stations for NZE trucks)	Yes, from: - increased use of electricity or hydrogen for ZE trucks - increased use of natural gas for NZE trucks - battery replacement - increase in VMT	- Air Quality and GHG Emissions - Energy - Hazards and Hazardous Materials - Solid and Hazardous Waste - Transportation
Acquiring and/or using ZE yard trucks	Yes, if infrastructure needs to be built (e.g., electric chargers for ZE equipment)	Yes, from: - increased use of electricity for ZE yard trucks - battery replacement	- Air Quality and GHG Emissions - Energy - Solid and Hazardous Waste
Installing and/or using ZE charging/fueling infrastructure for cars, trucks and/or TRUs (e.g., electric chargers or hydrogen fueling stations for ZE vehicles)	Yes	Yes, from: - increased use of electricity for ZE vehicles - increased use of natural gas for NZE vehicles - increase in VMT	- Air Quality and GHG Emissions - Energy - Hazards and Hazardous Materials - Hydrology and Water Quality - Noise - Transportation
Installing and/or using Solar Panels	Yes	Yes, from: - increased use of renewable electricity - battery replacement - increase in VMT	- Air Quality and GHG Emissions - Energy - Hydrology and Water Quality - Noise - Solid and Hazardous Waste - Transportation
Installing high-efficiency filters or filter systems in residences, schools, daycares, hospitals, or community centers	Yes	Yes, from: - maintenance activities and filter replacement - energy penalty from using HEPA filters	- Air Quality and GHG Emissions - Energy - Solid and Hazardous Waste - Transportation

PR 2305 would result in an increase in construction related trips, the generation of noise, the use of construction equipment, soil disturbance, and the use of construction related hazardous materials. Increased construction related trips and the use of construction materials would temporarily generate air quality and GHG emissions and increase the demand for energy. The use of hazardous materials could impact the public or the environment through routine or accidental transport, use, or disposal. Furthermore, soil disturbance could affect water quality through erosion and siltation.

The installation of onsite ZE charging/fueling infrastructure and solar panels would require some diesel powered construction equipment (e.g., delivery trucks, trenchers, backhoes, etc.) however it is typically no larger or noisier than the diesel powered trucks already operating at a warehouse. At the same time, noise from the operation of ZE trucks or yard trucks is quieter than the equivalent diesel powered vehicles that are typically used. Any new equipment or infrastructure would be subject to project-level review, including review of noise levels based on the jurisdiction's noise standard, as applicable. Therefore, PR 2305 would not generate noise levels in in excess of standards established in a local general plan, noise ordinance, or any other applicable noise standards.

PR 2305 is expected to result in operational impacts from an increased demand for and use of Class 2b through 8 ZE and NZE trucks and equipment which in turn, would also result in an increased use of electricity, hydrogen, and natural gas. Currently, there are no commercially available Class 8 ZE trucks; however, several Class 8 trucks are currently in the demonstration phase and their penetration into the market is imminent. Some truck manufacturers are beginning to release Class 2b through 7 ZE trucks, and more models are anticipated in the coming years. Furthermore, implementation of PR 2305 would result in an energy penalty from using HEPA filters and hazardous materials generated from the maintenance and replacement of air filters and batteries. PR 2305 could also increase distances trucks travel if warehouses relocate and/or vehicles seek out NZE/ZE charging/fueling stations.

In general, this CEQA document uses a "worst-case" approach so that whenever an assumption is made, those assumptions that result in the greatest potentially significant adverse impacts are typically chosen. This method ensures that environmental impacts from the proposed project are documented for decision-makers and the general public. Accordingly, the analysis in the following NOP/IS uses a conservative "worst-case" approach for analyzing the potentially significant adverse impacts.

Potential for Warehouse Relocation

The South Coast AQMD has funded a study to evaluate how different sectors within the warehousing industry (e.g., cold storage versus import facilities, etc.) may respond to the proposed project to determine the likelihood as to whether warehouse activities would relocate to areas outside of South Coast AQMD's jurisdiction. This study is under way and the results will be used together with the socioeconomic analysis to inform the rule development and the Draft EA. If it is considered possible that some warehouses will relocate because of the proposed project, then the potential environmental impacts, if any, of this activity will be included in the Draft EA to the extent that potential adverse environmental impacts are reasonably foreseeable and not speculative, in accordance with CEQA Guidelines Section 15145. Potential impacts may be difficult to forecast because: 1) existing business could relocate due to changes in market conditions rather than socio-economic effects of the rule; 2) existing warehouse operators could lease space in existing warehouses rather than construct new facilities; and 3) it is speculative to identify where the new warehouse site(s) could be (CEQA Guidelines Section 15144).

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
I.	**AESTHETICS.** Except as provided in Public Resources Code Section 21099, would the project:				
a)	Have a substantial adverse effect on a scenic vista?	☐	☐	☐	☑
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☑
c)	In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point(s).) If the project is in an urbanized area, would the project conflict with applicable zoning or other regulations governing scenic quality?	☐	☐	☐	☑
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☐	☑

Significance Criteria

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

- The project will block public views from a scenic highway or corridor.
- The project will adversely affect the visual continuity of public views 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

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing and using NZE and ZE charging and fueling infrastructure, and installing and using solar panels would be expected to have impacts to the topic of aesthetics. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

I. a), b) c) & d) No Impact. For the purpose of determining significance under CEQA, a scenic vista is generally considered a viewpoint that provides expansive views of a highly valued landscape for the benefit of the general public. Some scenic vistas are officially designated by public agencies, or informally designated by tourist guides. Vistas provide visual access or panoramic views to a large geographic area and are generally located at a point where surrounding views are greater than one mile away. Panoramic views are usually associated with vantage points

over a section of urban or natural areas that provide a geographic orientation not commonly available. Examples of panoramic views might include an urban skyline, valley, mountain range, a large open space area, the ocean, or other water bodies. A substantial adverse effect to a scenic vista is one that degrades the view from such a designated view spot.

A scenic highway is generally considered a stretch of public roadway that is designated as a scenic corridor by a federal, state, or local agency. Caltrans defines a scenic highway as any freeway, highway, road, or other public right of way, that traverses an area of exceptional scenic quality.

While construction of new warehouses is not required, under PR 2305, operators of existing warehouses and/or warehouse and fleet operators may replace trucks with ZE and NZE trucks in order to earn a sufficient number of WAIRE Points to meet the WPCO. However, the presence and appearance of the ZE and NZE trucks necessary to achieve the WPCO are not expected to be substantially different than existing diesel trucks.

Other options to achieve the WPCO include installing ZE charging/fueling infrastructure, and installation and use of solar panels at existing warehouses. Since the affected warehouses are located in existing industrial areas, any construction equipment needed to install infrastructure (e.g., installing ZE charging/fueling infrastructure, and installation and use of solar panels at existing warehouses) is not expected to be substantially discernable from other off-road equipment that exists onsite for routine operations and maintenance activities. Further, the construction activities are not expected to adversely impact views and aesthetics resources since most of the construction equipment and activities are expected to occur at existing warehouse facilities and are expected to introduce only minor visual changes, if at all, depending on the location of the construction activities at each affected warehouse. In addition, the construction activities are expected to be temporary in nature and will cease following the completion of infrastructure installation. Once construction is completed, all construction equipment will be removed from each warehouse.

Construction of the infrastructure, once built, may result in slight changes to the appearance of the affected warehouses post-construction. However, due to the nature of the infrastructure installations, any altered appearances will be minor and will not substantially alter the visual character of the existing warehouses. For example, the installation of solar panels on roofs are not expected to be substantially discernable from the ground and are expected to introduce only minor visual changes from outside each warehouse, if at all.

Furthermore, the appearance of ZE charging/fueling infrastructure and solar panels would result in slight changes to the appearance of the installation location and would not affect the aesthetic quality of the area. Such projects would also need to obtain city or county planning department approvals prior to commencement of any construction activities and would be subject to project-level review, including review of aesthetic impacts under CEQA, as applicable.

For facilities that are located within the views of a scenic vista or state scenic highway, the local city or county planning department would assess aesthetics impacts, if any, prior to commencement of any construction activities. Therefore, implementation of PR 2305 would have no substantial adverse effect on scenic vistas or other scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway.

Also, any changes to buildings or structures will require approvals from the local city or county planning departments to assess compliance with zoning requirements. For this reason, PR 2305 would not be expected to conflict with applicable zoning or other regulations governing scenic quality.

Therefore, the replacement vehicles, equipment, and/or infrastructure as part of implementing PR 2305 would not be expected to adversely affect a scenic vista, obstruct scenic resources within a state scenic highway, or degrade the existing visual character or quality of public views.

PR 2305 does not include any components that would require construction activities to occur at night. Further, cities often have their own limitations and prohibitions that restrict construction from occurring during evening hours and weekends. Therefore, no additional temporary construction lighting at the existing warehouses would be expected. However, if warehouse operators determine that the construction schedule requires nighttime activities, temporary lighting may be required but would be subject to approvals from the local city or county planning departments. Furthermore, during operation, additional light or glare would not be created which would adversely affect day or nighttime views in the area since no light generating equipment would be required to comply with PR 2305.

Solar panels may generate glare; however, the amount of glare depends on the angle of installation and on the specific product installed. Different types of solar panels absorb different amounts of light. Some solar panels include an anti-reflective layer to maximize absorption and minimize glare. Solar panel reflectivity is generally lower than that of other building materials (such as glass or steel). Furthermore, new solar panel systems would be required to abide by local county and city ordinances that require new sources of light and glare to be minimized. Therefore, installation of solar panels would not result in substantial glare.

Nonetheless, for construction activities that would be located within the boundaries of each affected warehouse, additional temporary lighting is not expected to be discernable from the existing permanent night lighting. For these reasons, the proposed project would not create a new source of substantial light or glare at any of the affected facilities in a manner that would adversely affect day or nighttime views in the surrounding areas. Any offsite activities near applicable warehouses would be subject to a project-level CEQA review.

Conclusion

Based upon these considerations, significant adverse aesthetics impacts are not expected from implementing the proposed project. Since no significant aesthetics impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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?	☐	☐	☐	☑
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☑
c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))?	☐	☐	☐	☑
d)	Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☑
e)	Involve other changes in the existing environment which, due to their location or nature, could result in the conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	☑

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 Section 12220(g)), timberland (as defined in Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 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
While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing NZE and ZE charging and fueling infrastructure and installing solar panels would be expected to have impacts to the topic of agriculture and forestry resources. As such, the following responses to the checklist questions limit the discussion to these activities.

II. a), b), c), d) & e) No Impact. Pursuant to the California Land Conservation Act of 1965, a Williamson Act Contract enables private landowners to voluntarily enter into contracts with local governments for the purpose of restricting specific parcels of land to agricultural or related open space use. In return, landowners receive lower property tax assessments based upon farming and open space uses as opposed to full market value.

Under PR 2305, existing warehouse operators and/or warehouse and fleet operators might replace (purchase and use) trucks with ZE and NZE trucks in order to earn a sufficient number of WAIRE Points to meet the WPCO. Other options to achieve the WPCO include installing ZE charging/fueling infrastructure, and installation of solar panels at existing warehouses. While construction of new warehouses is not required, the proposed project may involve the installation of ZE charging/refueling infrastructure near applicable warehouses. Improvements would continue to be subject to project-level review, including review of agricultural impacts under CEQA, as applicable. Therefore, implementation of the proposed project would not affect Prime Farmland, Unique Farmland, or Farmland of Statewide Importance or conflict with a Williamson Act contract if the proposed project is implemented.

Physical changes associated with PR 2305 will be at previously developed sites and would not warrant construction in undeveloped areas where agricultural and forest resources are more likely to occur. Therefore, PR 2305 would not conflict with existing zoning for, or cause rezoning of, forest land or timberland zoned Timberland Production. Additionally, the proposed project would not result in the loss of forest land or conversion of forest land to non-forest use.

Conclusion
Based upon these considerations, significant adverse agricultural and forest resources impacts are not expected from implementing the proposed project. Since no significant agriculture and forest resources impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
III. AIR QUALITY AND GREENHOUSE GAS EMISSIONS. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☑
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☑	☐	☐	☐
c) Expose sensitive receptors to substantial pollutant concentrations?	☑	☐	☐	☐
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☑	☐
e) Diminish an existing air quality rule or future compliance requirement resulting in a significant increase in air pollutant(s)?	☐	☐	☑	☐
f) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☑	☐	☐	☐
g) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☑	☐	☐	☐

Significance Criteria

To determine whether or not air quality and greenhouse gas impacts from implementing the proposed project are significant, impacts will be evaluated and compared to the criteria in Table 2-2. The proposed project will be considered to have significant adverse impacts if any one of the thresholds in Table 2-2 are equaled or exceeded.

Table 2-2
South Coast AQMD Air Quality Significance Thresholds

Mass Daily Thresholds [a]		
Pollutant	**Construction** [b]	**Operation** [c]
NO_x	100 lbs/day	55 lbs/day
VOC	75 lbs/day	55 lbs/day
PM_{10}	150 lbs/day	150 lbs/day
$PM_{2.5}$	55 lbs/day	55 lbs/day
SO_x	150 lbs/day	150 lbs/day
CO	550 lbs/day	550 lbs/day
Lead	3 lbs/day	3 lbs/day
Toxic Air Contaminants (TACs), Odor, and GHG Thresholds		
TACs (including carcinogens and non-carcinogens)	Maximum Incremental Cancer Risk ≥ 10 in 1 million Cancer Burden > 0.5 excess cancer cases (in areas ≥ 1 in 1 million) Chronic & Acute Hazard Index ≥ 1.0 (project increment)	
Odor	Project creates an odor nuisance pursuant to South Coast AQMD Rule 402	
GHG	10,000 MT/yr CO_2eq for industrial facilities	
Ambient Air Quality Standards for Criteria Pollutants [d]		
NO_2 1-hour average annual arithmetic mean	South Coast AQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 0.18 ppm (state) 0.03 ppm (state) and 0.0534 ppm (federal)	
PM_{10} 24-hour average annual average	10.4 μg/m^3 (construction)[e] & 2.5 μg/m^3 (operation) 1.0 μg/m^3	
$PM_{2.5}$ 24-hour average	10.4 μg/m^3 (construction)[e] & 2.5 μg/m^3 (operation)	
SO_2 1-hour average 24-hour average	0.25 ppm (state) & 0.075 ppm (federal – 99th percentile) 0.04 ppm (state)	
Sulfate 24-hour average	25 μg/m^3 (state)	
CO 1-hour average 8-hour average	South Coast AQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 20 ppm (state) and 35 ppm (federal) 9.0 ppm (state/federal)	
Lead 30-day Average Rolling 3-month average	1.5 μg/m^3 (state) 0.15 μg/m^3 (federal)	

[a] Source: South Coast AQMD CEQA Handbook (South Coast AQMD, 1993)
[b] Construction thresholds apply to both the South Coast Air Basin and Coachella Valley (Salton Sea and Mojave Desert Air Basins).
[c] For Coachella Valley, the mass daily thresholds for operation are the same as the construction thresholds.
[d] Ambient air quality thresholds for criteria pollutants based on South Coast AQMD Rule 1303, Table A-2 unless otherwise stated.
[e] Ambient air quality threshold based on South Coast AQMD Rule 403.

KEY: lbs/day = pounds per day ppm = parts per million μg/m^3 = microgram per cubic meter ≥ = greater than or equal to
MT/yr CO_2eq = metric tons per year of CO_2 equivalents > = greater than

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Discussion
All the activities identified in Table 2-1 would be expected to have impacts to the topic of air quality and greenhouse gas emissions. As such, the following responses to the checklist questions discuss these activities. Both construction and operational impacts are addressed as applicable.

III. a) No Impact. Warehouses subject to PR 2305 are located within the jurisdiction of South Coast AQMD. In March 2017, the South Coast AQMD approved the Final 2016 AQMP aimed at meeting the state and federal ambient air quality standards for ozone and PM2.5. The key strategy set forward in the 2016 AQMP to meet air quality challenges in South Coast AQMD's jurisdiction is to reduce NOx emissions sufficiently to meet the 8-hour ozone NAAQS deadlines. One of the critical control measures within the 2016 AQMP for reducing NOx emissions included the development of a facility-based measure for warehouses (MOB-03). PR 2305 is the resulting proposed approach to satisfy that control measure. 2016 AQMP for reducing NOx emissions included the development of a facility-based measure for warehouses (MOB-03). PR 2305 is the resulting proposed approach to satisfy that control measure.

Consistent with control measure MOB-03, PR 2305 is expected to reduce emissions associated with on- and off-road equipment operating at warehouses which in turn will contribute to attaining the state and federal ambient air quality standards. Thus, because PR 2305 implements control measure MOB-03 it is not expected to conflict or obstruct implementation of the 2016 AQMP. Therefore, implementing PR 2305 would not diminish an existing air quality rule or future compliance requirement, nor conflict with or obstruct implementation of the applicable air quality plan and this will not be discussed further in the Draft EA.

III. b), c) f), and g) Potentially Significant Impact. The following describes impacts from short-term construction activities and long-term operation of the proposed project.

Short-Term Construction-Related Air Quality Impact
Construction activities pursuant to PR 2305 would result in the generation of air pollutants from: 1) exhaust emissions from off-road diesel-powered construction equipment; 2) dust generated from site preparation, earthmoving, and other construction activities; 3) exhaust emissions from on-road vehicles and 4) off-gas emissions of volatile organic compounds (VOCs) from application of asphalt, paints, and coatings.

Construction activities related to new ZE charging/refueling infrastructure, solar panels, or community benefits projects (e.g., new HVAC systems to filter particulates) would occur at existing warehouses. Therefore, this impact is potentially significant and will be discussed in more detail in the Draft EA.

Long-Term Operation-Related Air Quality Impact
Additional analysis is required to identify the potential impacts associated with changes in truck fleet/type and associated emissions from implementation of PR 2305. Therefore, impacts associated with acquiring and using on-road NZE and ZE trucks, and acquiring and using ZE yard trucks is potentially significant and will be discussed in more detail in the Draft EA.

III. d) Less Than Significant. The threshold for an odor impact is if a project creates an odor nuisance pursuant to Rule 402 (Nuisance), which states:

"A person shall not discharge from any source whatsoever such quantities of air contaminants or other material which cause injury, detriment, nuisance or annoyance to any considerable number of persons or to the public, or which endanger the comfort, repose, health or safety of any such persons or the public, or which cause, or have a natural tendency to cause, injury or damage to business or property."

The type of facilities that are considered to have objectionable odors include wastewater treatment plants, compost facilities, landfills, solid waste transfer stations, fiberglass manufacturing facilities, paint/coating operations (e.g., auto body shops), dairy farms, petroleum refineries, asphalt batch plants, chemical manufacturing, and food manufacturing facilities. The measures proposed by PR 2305 do not fall within the aforementioned land uses. Additionally, while PR 2305 may result in new infrastructure constructed to comply with some of the WAIRE Menu items at affected facilities, these facilities already operate diesel equipment and trucks. Regarding odors, currently, for all existing diesel-fueled equipment and vehicles, the diesel fuel is required to have a low sulfur content (e.g., 15 ppm by weight or less) in accordance with South Coast AQMD Rule 431.2 – Sulfur Content of Liquid Fuels[13]. Such fuel is expected to minimize odor. The proposed project has the potential to reduce use of diesel equipment and trucks onsite and reduce odors further. In the event that a facility elects to install EV chargers or solar energy systems to earn WAIRE points, operation of the new EV chargers or solar systems are not expected to generate any new odors because these devices are electric. Further, compliance with PR 2305 would mean that some odorous trucks and warehouse equipment would be electrified, such that the existing odor profiles at the affected facilities would be reduced. Thus, PR 2305 is not expected to create significant adverse objectionable odors during operation.

Additionally, emissions from construction equipment, such as diesel exhaust and volatile organic compounds from paving activities, might generate odors. However, these odors would be low in concentration, temporary, and are not expected to affect a substantial number of people. Any odors produced during the construction phase are not expected to be significant or highly objectionable and would be in compliance with Rule 402. Diesel fueled construction equipment would also comply with South Coast AQMD Rule 431.2 – Sulfur Content of Liquid Fuels, which is expected to minimize odor. The operation of construction equipment will occur within the confines of existing affected facilities. Dispersion of diesel emissions over distance generally occurs so that odors associated with diesel emissions may not be discernable to offsite receptors, depending on the location of the equipment and its distance relative to the nearest offsite receptor. Further, the diesel trucks that will be operated onsite will not be allowed to idle longer than five minutes per any one location in accordance with the CARB idling regulation, so odors from these vehicles would not be expected for a prolonged period of time. Therefore, the addition of several pieces of construction equipment and trucks that will operate intermittently, over a relatively short period of time, are not expected to generate diesel exhaust odor substantially greater than what is already typically present at the affected facilities.

Therefore, impacts would be less than significant, no mitigation measures are necessary, and this will not be discussed further in the Draft EA.

III. e) Less than Significant. The determination of whether a proposed project would diminish an existing air quality rule or future compliance requirement resulting in a significant increase in

[13] South Coast AQMD, Rule 431.2 – Sulfur Content of Liquid Fuels, September 15, 2000. http://www.aqmd.gov/docs/defaultsource/rule-book/rule-iv/rule-431-2.pdf

air pollutant(s) is dependent on construction and operational activities associated with the PR 2305. While PR 2305 does not contain any requirements for warehouses to build infrastructure to comply with the WAIRE program, some WAIRE Menu items may be expected to cause existing warehouses to make physical modifications that may require some construction activities as well as operational changes, once construction is completed. However, all construction activities would abide by local and regional regulations and PR 2305 is expected to reduce operational emissions associated with emission sources operating in and out of warehouse distribution centers. Therefore, development pursuant to PR 2305 is not expected to diminish an existing air quality rule or future compliance requirement or result in a significant increase in air pollutant(s). Impacts would be less than significant, and this will not be discussed further in the Draft EA.

Conclusion

Based upon these considerations, significant construction related air quality and GHG emissions impacts may occur from the installation of ZE charging/refueling infrastructure, solar panels, or community benefits projects (e.g., new HVAC systems to filter particulates). Significant operational impacts may also arise from using on-road NZE and ZE trucks and ZE yard trucks. These impacts will be further analyzed in the Draft EA.

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

Significance Criteria

Impacts on biological resources will be considered significant if any of the following criteria apply:

- 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

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing and using NZE and ZE charging and fueling infrastructure and installing and using solar panels would be expected to have impacts to the topic of biological resources. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

IV. a), b), c), d), e) & f) No Impact. PR 2305 would offer several compliance options that facilities could implement to reduce emissions from warehouses to achieve the WPCO. PR 2305 would not require or induce new warehouse development however; PR 2305 might result in the onsite installation of ZE charging/fueling infrastructure and solar panels. Warehouse sites have already been disturbed and typically do not contain open space, water features, or natural vegetation. Sites might contain landscaping that consist of ornamental trees and turf. The sites of the affected facilities that would be subject to PR 2305 currently do not support riparian habitat, federally protected wetlands, or migratory corridors because they are existing developed and established facilities currently used for industrial, manufacturing, or warehouse purposes. Additionally, special status plants, animals, or natural communities identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service are not expected to be found on or in close proximity to the affected facilities because the affected facilities are in existing industrial, commercial or mixed land use areas. Further, activities resulting from the compliance of the proposed project would be subject to project-level review, including review of biological impacts under CEQA, as applicable. Any offsite installation of ZE charging/refueling infrastructure near applicable warehouses would also be subject to a project-level CEQA review.

Additionally, PR 2305 would not conflict with any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or any other relevant habitat conservation plan, and would not create divisions in any existing communities because onsite activities associated with complying with PR 2305 would occur at existing facilities in previously disturbed areas which are not typically subject to Habitat or Natural Community Conservation Plans. Any offsite installation of ZE charging/refueling infrastructure near applicable warehouses would also be subject to a project-level CEQA review.

Conclusion

Based upon these considerations, significant biological resource impacts are not expected from implementing the proposed project. Since no significant biological resource impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
V.	**CULTURAL AND TRIBAL CULTURAL RESOURCES.** Would the project:				
a)	Cause a substantial adverse change in the significance of a historical resource pursuant to CEQA Guidelines Section 15064.5?	☐	☐	☐	☑
b)	Cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines Section 15064.5?	☐	☐	☑	☐
c)	Disturb any human remains, including those interred outside of dedicated cemeteries?	☐	☐	☑	☐
d)	Cause a substantial adverse change in the significance of a tribal cultural resource as 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 either:				
	• Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k)?	☐	☐	☐	☑
	• A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in Public Resources Code Section 5024.1(c)? (In applying the criteria set forth in Public Resources Code Section 5024.1(c), the lead agency shall consider the significance of the resource to a California Native American tribe.)	☐	☐	☐	☑

Significance Criteria

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, or tribal cultural significance to a community or ethnic or social group or a California Native American tribe.
- Unique resources or objects with cultural value to a California Native American tribe are present that could be disturbed by construction of the proposed project.
- The project would disturb human remains.

Discussion

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing and using NZE and ZE charging and fueling infrastructure and installing and using solar panels would be expected to have impacts to the topic of cultural resources. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

V. a) No Impact. Existing laws are in place to protect and mitigate potential impacts to cultural resources. For example, 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, which include the following:

- Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
- Is associated with the lives of persons important in our past;
- 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;
- Has yielded or may be likely to yield information important in prehistory or history (CEQA Guidelines Section 15064.5).

Buildings, structures, and other potential culturally significant resources that are less than 50 years old are generally excluded from listing in the National Register of Historic Places, unless they are shown to be exceptionally important. Any of the buildings or structures that may be affected by PR 2305 that are older than 50 years are buildings that are currently utilized for manufacturing or warehousing purposes and would generally not be considered historically significant since they would not have any of 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. Further, historic resources generally consist of buildings, structures, improvements, and remnants associated with a significant historic event or person(s) and/or have a historically significant style, design, or achievement. Damaging or demolition of historic resources is typically considered to be a significant impact. Impacts to historic resources can occur through direct impacts, such as destruction or removal, and indirect impacts, such as a change in the setting of a historic resource. Any projects pursuant to PR 2305 would occur at or near existing warehouses. Warehouses are generally not historic resources and are not located in historic districts. Additionally, the proposed project would not result in demolition of existing warehouses. Minor modifications to the existing structures to support EV charging equipment, solar panels, and/or natural gas fueling equipment. Construction pursuant to PR 2305 would need to obtain city or county planning department approvals prior to commencement of any construction activities and would be subject to project-level review, including review of historic impacts under CEQA, if

applicable. Therefore, PR 2305 is not expected to cause any impacts to significant historic cultural resources.

V. b) & c) Less Than Significant Impact. Archaeological sites are locations that contain resources associated with former human activities, and might contain such resources as human skeletal remains, waste from tool manufacture, tool concentrations, and/or discoloration or accumulation of soil or food remains. Construction activities associated with the proposed project, such as installation of EV charging stations and solar panels, would occur at warehouse sites that have been previously disturbed. The type of construction that could occur on applicable existing warehouses would not require excavation that goes beyond currently disturbed ground cover. However, for the installation of ZE charging/refueling infrastructure near warehouse sites, ground-disturbing activities have the potential to reveal buried deposits not observed on the surface or to disturb human remains including those interred outside of dedicated cemeteries. Activities that result from compliance with the proposed project would be subject to project-level review, including review of cultural impacts under CEQA, as applicable.

Construction-related activities are expected to be confined within the existing footprint of the affected facilities that have already been fully developed and paved, PR 2305 is not expected to require physical changes to the environment which may disturb paleontological or archaeological resources. Furthermore, in the event that human remains are discovered during any future grading or other ground disturbing activities, the proposed activities would be required to comply with the applicable provisions of Health and Safety Code Section 7050.5 as well as Public Resources Code Section 5097 et. seq. Health and Safety Code Section 7050.5 states that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin. Pursuant to California Public Resources Code Section 5097.98(b), remains shall be left in place and free from disturbance until a final decision as to the treatment and disposition has been made by the Coroner.

If the Coroner determines the remains to be Native American, the California Native American Heritage Commission (NAHC) must be contacted and the NAHC must then immediately notify the "most likely descendant(s)" of receiving notification of the discovery. The most likely descendant(s) shall then make recommendations within 48 hours and engage in consultations concerning the treatment of the remains as provided in Public Resources Code Section 5097.98.
PR 2305 would result in replacement of heavy-duty trucks and installation and/or replacement of structures, equipment, and infrastructure at or near warehouses. No physical changes to roadways will occur and the only new offsite structures might include ZE charging/refueling infrastructure near applicable warehouses. Offsite activities that result from compliance with the proposed project would be subject to project-level review, including review of agricultural impacts under CEQA, as applicable.

As such, the proposed project will not cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines Section 15064.5 or disturb any human remains, including those interred outside of formal cemeteries. Impacts would be less than significant.

V. d) Less Than Significant Impact. Refer to section V.a above, since warehouses are not historic resources and are not located in historic districts changes made at or near warehouses would not cause a substantial adverse change in the significance of a historical resource. Furthermore, as part of releasing this CEQA document for public review and comment, the South Coast AQMD also provided a formal notice of the proposed project to all California Native American Tribes (Tribes)

that requested to be on the Native American Heritage Commission's (NAHC) notification list per Public Resources Code Section 21080.3.1(b)(1). The NAHC notification list provides a 30-day period during which a Tribe may respond to the formal notice, in writing, requesting consultation on the proposed project.

In the event that a Tribe submits a written request for consultation during this 30-day period, the South Coast AQMD will initiate a consultation with the Tribe within 30 days of receiving the request in accordance with Public Resources Code Section 21080.3.1(b). Consultation ends when either: 1) both parties agree to measures to avoid or mitigate a significant effect on a Tribal Cultural Resource and agreed upon mitigation measures shall be recommended for inclusion in the environmental document [see Public Resources Code Section 21082.3(a)]; or, 2) either party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached. [Public Resources Code Section 21080.3.2(b)(1)-(2) and Section 21080.3.1(b)(1)].

Furthermore, the provisions of CEQA, Public Resources Code Sections 21080.3.1 et seq. (also known as AB 52), requires meaningful consultation with California Native American Tribes on potential impacts to tribal cultural resources, as defined in Public Resources Code Section 21074. Tribal cultural resources are sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are either eligible or listed in the California Register of Historical Resources or local register of historical resources (CNRA 2018). As part of the AB 52 process, Native American tribes must submit a written request to the relevant lead agency if it wishes to be notified of projects that require CEQA public noticing and are within its traditionally and culturally affiliated geographical area.

Construction resulting from PR 2305 would need to obtain city or county planning department approvals prior to commencement of any construction activities and would be subject to project-level review, including separate tribal consultation under AB 52, as applicable, to address site-specific requests identified by the tribes. Therefore, impacts to tribal cultural resources are less than significant.

Conclusion

Based upon these considerations, significant adverse cultural resources impacts are not expected from implementing the proposed project. Since no significant cultural and tribal cultural resources impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VI.	**ENERGY.** Would the project:				
a)	Conflict with or obstruct adopted energy conservation plans, a state or local plan for renewable energy, or energy efficiency?	☐	☐	☑	☐
b)	Result in the need for new or substantially altered power or natural gas utility systems?	☑	☐	☐	☐
c)	Create any significant effects on local or regional energy supplies and on requirements for additional energy?	☑	☐	☐	☐
d)	Create any significant effects on peak and base period demands for electricity and other forms of energy?	☑	☐	☐	☐
e)	Comply with existing energy standards?	☐	☐	☑	☐
f)	Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	☐	☐	☑	☐
g)	Require or result in the relocation or construction of new or expanded electric power, natural gas or telecommunication facilities, the construction or relocation of which could cause significant environmental effects?	☑	☐	☐	☐

Significance Criteria

Impacts to energy resources will be considered significant if any of the following criteria are met:

- The project conflicts with adopted energy conservation plans or standards.
- The project results in substantial depletion of existing energy resource supplies.
- An increase in demand for utilities impacts the current capacities of the electric and natural gas utilities.
- The project uses energy resources in a wasteful and/or inefficient manner.

Discussion
All the activities identified in Table 2-1 would be expected to have impacts to the topic of energy. As such, the following responses to the checklist questions discuss these activities. Both construction and operational impacts are addressed as applicable.

VI. a), e), & **f) Less than Significant.** PR 2305 does not require any action which would result in any conflict with an adopted energy conservation or efficiency plan or result in potentially significant environmental impacts due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation. Any existing or future facilities that implement the requirements of PR2305 would be expected to continue implementing any existing energy conservation plans that are currently in place regardless of whether the proposed project is implemented.

Additionally, PR 2305 does not require any measures which would conflict with a state or local plan for renewable energy. Renewable energy sources include wind, small hydropower, solar, geothermal, biomass, and biogas. The California Renewables Portfolio Standard (RPS) was established in 2002 under Senate Bill 1078 (SB 1078) and was amended in 2006 and 2011. The RPS program requires investor-owned utilities, electric service providers, and community choice aggregators to increase the use of eligible renewable energy resources to 33 percent of total procurement by 2020. Executive Order S-14-08, signed in November 2008, expanded the state's RPS to 33 percent renewable power by 2020. This standard was adopted by the legislature in 2011 (SB X1-2). SB 350, de Leon was signed into law September 2015 and establishes tiered increases to the RPS. SB 350 requires renewable energy resources of 40 percent by 2024, 45 percent by 2027, and 50 percent by 2030. SB 350 also set a new goal to double the energy-efficiency savings in electricity and natural gas through energy efficiency and conservation measures. On September 10, 2018, Governor Brown signed SB 100, which raises California's RPS requirements to 60 percent by 2030, with interim targets, and 100 percent by 2045. The bill also establishes a state policy that eligible renewable energy resources and zero-carbon resources supply 100 percent of all retail sales of electricity to California end-use customers and 100 percent of electricity procured to serve all state agencies by December 31, 2045. Under SB 100 the state cannot increase carbon emissions elsewhere in the western grid or allow resource shuffling to achieve the 100 percent carbon-free electricity target. Electricity production from renewable sources is generally considered carbon neutral. WAIRE Menu options include solar panels and storage. Therefore, the proposed project would not obstruct a state or local plan for renewable energy.

VI. b), c), d) & g) Potentially Significant Impact.

Construction
Construction activities pursuant to PR 2305 would consume energy, in the short term, due to gasoline and/or diesel fuel and electricity consumed by construction vehicles and equipment. Construction activities may require the use of energy-consuming construction equipment for grading, hauling, and building activity. Electricity use during construction activities is expected to vary depending on which phase of construction is occurring—with the majority of construction-related energy consumption resulting from fossil fuel use such as gasoline or diesel fuel occurring during activities such as grading and the majority of electricity use occurring during the later construction phases which may require more electric powered equipment. The use of electricity during construction would be temporary and would fluctuate according to the phase of construction. Furthermore, construction pursuant to PR 2305 would need to obtain city or county planning department approvals prior to commencement of any construction activities and would

be subject to project-level review, including review of energy impacts under CEQA, if applicable. Therefore, impacts from construction vehicles and equipment are assumed to be less than significant and will not be discussed further in the EA.

Construction transportation energy use depends on the type of vehicle, number of trips, vehicle miles traveled, fuel efficiency of vehicles, and travel mode. Transportation energy use during construction activities is derived from the use of gasoline and diesel fuel consumption required to operate vendor trucks that provide deliveries of equipment and building materials, as well as worker vehicles as they commute to construction sites. Construction transportation energy could be potentially significant and will be discussed further in the EA.

Operation

Once construction is completed, operation of projects implemented by owners and operators of warehouses pursuant to PR 2305 could create additional demands for electricity, hydrogen, and natural gas compared to existing conditions. In addition, warehouse operators and owners may comply with PR 2305 by installing solar panels which would reduce the need for additional energy resources from local utilities.

The proposed measures pursuant to PR 2305 would result in an increase in electricity, hydrogen, and/or natural gas consumption during the operational phase. Electricity, hydrogen, and natural gas would be used to charge and fuel trucks, TRUs, and cargo handling equipment (CHE). Implementation of PR 2305 would also result in an energy penalty from the use of HEPA filters. Existing warehouses would be expected to comply with existing energy regulations in accordance with existing standards and additional requirements in local zoning codes. During the local land use permit process, the project proponent might be required by the local jurisdiction or energy utility to undertake a site-specific CEQA analysis to determine the impacts, if any, associated with the siting and construction of new infrastructure to support the electricity, hydrogen, or natural gas demands of the WAIRE Menu options needed to achieve the WPCO.

Pursuant to PR 2305 warehouses may choose to switch to ZE or NZE trucks and ZE truck yards, or use NZE and ZE charging and fueling infrastructure and as such would require more electricity or natural gas and may warrant additional infrastructure to service warehouses that utilize solar energy systems for WAIRE Points to achieve their WPCO. Therefore, this impact is potentially significant and will be discussed in more details in the Draft EA.

Conclusion

Based upon these considerations, significant impacts from energy use for construction related trips may occur. Significant operational impacts may also arise from using on-road NZE and ZE trucks and ZE yard trucks and installing NZE and ZE charging and fueling stations. These impacts will be further analyzed in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VII. GEOLOGY AND SOILS. Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
• Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	☐	☐	☑	☐
• Strong seismic ground shaking?	☐	☐	☑	☐
• Seismic-related ground failure, including liquefaction?	☐	☐	☑	☐
• Landslides?	☐	☐	☑	☐
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☑	☐
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?	☐	☐	☑	☐
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?	☐	☐	☑	☐
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	☐	☐	☐	☑
f) Directly or indirectly destroy a unique paleontological resource or site or unique geological feature?	☐	☐	☑	☐

Significance Criteria

Impacts on the geological environment will be considered significant if any of the following criteria apply:

- 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.
- Unique paleontological resources or sites or unique geologic features are present that could be directly or indirectly destroyed by the proposed project.

Discussion

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing and using NZE and ZE charging and fueling infrastructure and installing and using solar panels would be expected to have impacts to the topic of geology and soils. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

VII. a) Less Than Significant Impact. The Alquist-Priolo Earthquake Fault Zoning Act was passed in 1972 to mitigate the hazard of surface faulting to structures for human occupancy. Surface rupture is the most easily avoided seismic hazard. Fault rupture generally occurs within 50 feet of an active fault line and is limited to the immediate area of the fault zone where the fault breaks along the surface. The main purpose of the Alquist-Priolo Earthquake Fault Zoning Act is to prevent construction of buildings used for human occupancy on the surface of active faults, in order to minimize the hazard of surface rupture of a fault to people and habitable buildings. Before cities and counties can permit development within Alquist-Priolo Earthquake Fault Zones, geologic investigations are required to show that a proposed development site is not threatened by surface rupture from future earthquakes. Therefore, any future project development near existing warehouses would not subject people or structures to hazards arising from surface rupture of a known active fault.

The most significant geologic hazard to the design life of any project associated with PR 2305 is the potential for moderate to strong ground shaking resulting from earthquakes generated on the faults in seismically active southern California. It is anticipated that future projects would likely be subject to strong ground shaking due to earthquakes on nearby faults. The intensity of ground shaking would depend on the magnitude of the earthquake, distance to the epicenter, and the geology of the area between the epicenter and the project sites. However, the warehouses affected by PR 2305 are not at a greater risk of seismic activity or impacts than other sites in southern California.

The California Building Code (CBC; California Code of Regulations, Title 24, Part 2) contains provisions to safeguard against major structural failures or loss of life caused by earthquakes or other geologic hazards. The CBC contains provisions for earthquake safety based on factors including the types of soil and rock onsite, and the strength of ground motion with specified

probability of occurring at the site. Additionally, Section 1803.2 of the 2019 CBC, requires a geotechnical investigation that must evaluate soil classification, slope stability, soil strength, position and adequacy of load-bearing soils, the effect of moisture variation on soil-bearing capacity, compressibility, liquefaction, and expansiveness, as necessary. The geotechnical investigation must be prepared by registered professionals (i.e., California Registered Civil Engineer or Certified Engineering Geologist). Recommendations of the report pertaining to structural design and construction recommendations for earthwork, grading, slopes, foundations, pavements, and other necessary geologic and seismic considerations must be incorporated into the design and construction of the proposed project. PR 2305 does not cause or require new warehouses to be constructed, however owners or operators of warehouses may choose WAIRE Menu items that would result in construction activities. These activities would be required to adhere to the provisions of the CBC. Compliance with the requirements of the CBC for structural safety during a seismic event would reduce hazards from strong seismic ground shaking to less than significant.

Liquefaction is a phenomenon that occurs when soil undergoes a transformation from a solid state to a liquified condition. It refers to loose, saturated sand or silt deposits that behave as a liquid and lose their load-supporting capability when strongly shaken. Loose granular soils and silts that are saturated by relatively shallow groundwater are susceptible to liquefaction. When subjected to seismic ground shaking, affected soils loose strength during liquefaction and foundation failure can occur. Landslides are the downslope movement of geologic materials. Slope failures in the form of landslides are common during strong seismic shaking in areas of steep hills.

Installation of ZE charging/fueling infrastructure and solar panels may require a geotechnical investigation, as required by the CBC, to evaluate geohazards, like liquefaction potential of underlying soils. For such facilities that would be installed onsite at existing warehouses, a geotechnical investigation would already be available. Grading, design, and construction work would conform with the recommended design parameters of the geotechnical investigation. Cities and counties would impose the recommended design parameters as a condition of any required planning approval, and compliance would be ensured through plan checks and development review processes. Compliance with the requirements of the CBC would reduce hazards from liquefaction and landslides to less than significant.

VII. b) Less Than Significant Impact. Erosion is the movement of rock and soil from place to place and is a natural process. Common agents of erosion include wind and flowing water. Significant erosion typically occurs on steep slopes where stormwater and high winds can carry topsoil down hillsides. Erosion can be increased greatly by earthmoving activities if erosion-control measures are not used.

Installation of ZE charging/refueling infrastructure and solar panels, subsequent to adoption of PR 2305 could involve excavation, grading, and construction activities that would disturb soil and leave exposed soil on the ground surface. Soil erosion at construction sites could be caused by water, wind, or vehicles tracking soil offsite. However, projects that occur as a result of PR 2305 would have a small construction footprint, and would be subject to local, regional, and state codes and requirements for erosion control and grading during construction. Projects would be subject to the National Pollution Discharge Elimination System (NPDES) permitting regulations, including the development and implementation of a Stormwater Pollution Prevention Plan (SWPPP) as applicable. Construction contractors would be required to prepare and implement a SWPPP and associated Best Management Practices (BMPs) in compliance with the Construction

General Permit (CGP) during grading and construction of any site that disturbs more than one acre of land. Adherence to the BMPs in the SWPPP and adherence with local, regional, and state codes and requirements for erosion control and grading during construction would reduce, prevent, or minimize soil erosion from grading and construction activities. Therefore, soil erosion impacts would be less than significant.

VII. c) & d) Less Than Significant Impact. Hazards from liquefaction and lateral spreading are addressed above in VII.a. As concluded in that section, impacts would be less than significant, and no mitigation measures are necessary. Following is a discussion of the potential impacts resulting from other geologic and soil conditions.

Lateral Spreading
Lateral spreading is a phenomenon that occurs in association with liquefaction and includes the movement of non-liquefied soil materials.

Subsidence
The major cause of ground subsidence is the excessive withdrawal of groundwater. Soils with high silt or clay content are particularly susceptible to subsidence.

Expansive Soils
Expansive soils shrink or swell as the moisture content decreases or increases; the shrinking or swelling can shift, crack, or break structures built on such soils.

Geotechnical investigations, as required by the CBC, evaluate the potential for adverse impacts from lateral spreading, subsidence, and expansive soils and propose appropriate site design measures. If required to comply with PR 2305, all grading, design, and construction work would conform with the recommended design parameters of a geotechnical investigation. Cities and Counties would impose the recommended design parameters as a condition of any required planning approval, and compliance would be ensured through plan checks and development review processes. Compliance with the requirements of the CBC would reduce hazards to less than significant.

VII. e) No Impact. Implementation of PR 2305 would not involve the use of septic tanks or other alternative wastewater disposal systems since each affected warehouse would be expected to have an existing sewer system. Therefore, the implementation of PR 2305 will not adversely affect soils associated with installing a new septic system or alternative wastewater disposal system or modifying an existing sewer. Thus, no impact would occur, and no mitigation measures are necessary.

VII. f) Less Than Significant Impact. Paleontological resources, commonly known as fossils, are the recognizable physical remains or evidence of past life forms found on earth in past geological periods — and can include bones, shells, leaves, tracks, burrows, and impressions. Ground-disturbing activities such as grading, or excavation have the potential to unearth paleontological resources that might underly a site. However, PR 2305 would only result in construction activities where owners or operators of warehouses choose certain WAIRE Menu items for onsite improvements (e.g., solar panels, ZE/ZNE charging infrastructure). These WAIRE Menu items are unlikely to require substantial soil excavation underneath the existing footings and would be located on already disturbed and developed industrial settings; and therefore, no

significant impact would occur. Further, projects implemented as a result of PR 2305 would be subject to project-level review, including review of paleontological impacts under CEQA, as applicable. Therefore, PR 2305 is not expected to directly or indirectly destroy a unique paleontological resource or site or unique geological feature.

Conclusion

Based upon these considerations, significant adverse geology and soils impacts are not expected from the implementation of PR 2305. Since no significant geology and soils impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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?	☐	☐	☑	☐
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?	☐	☐	☑	☐
c)	Emit hazardous emissions, or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☑	☐
d)	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?	☐	☐	☑	☐
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☑
f)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☑
g)	Significantly increased fire hazard in areas with flammable materials?	☐	☐	☑	☐

Significance Criteria

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

The term "hazardous material" can be defined in different ways. For purposes of this environmental document, the definition of "hazardous material" is the one outlined in the Health and Safety Code, Section 25501:

Hazardous materials that, because of their quantity, concentration, or physical or chemical characteristics, pose a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment. Hazardous materials include, but are not limited to, hazardous substances, hazardous waste, and any material that a handler or the unified program agency has a reasonable basis for believing that it would be injurious to the health and safety of persons or harmful to the environment if released into the workplace or the environment.

"Hazardous waste" is a subset of hazardous materials, and the definition is essentially the same as in the Health and Safety Code, Section 25117, and in the California Code of Regulations, Title 22, Section 66261.2:

Hazardous wastes are those that, because of their quantity, concentration, or physical, chemical, or infectious characteristics, may either cause, or significantly contribute to an increase in mortality or an increase in serious illness, or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, disposed of, or otherwise managed.

Hazardous materials can be categorized as hazardous nonradioactive chemical materials, radioactive materials, and biohazardous materials (infectious agents such as microorganisms, bacteria, molds, parasites, viruses, and medical waste).

Exposure of the public or the environment to hazardous materials could occur through but not limited to the following means: improper handling or use of hazardous materials or waste, particularly by untrained personnel; transportation accident; environmentally unsound disposal methods; and/or fire, explosion, or other emergencies. The severity of potential effects varies with the activity conducted, the concentration and type of hazardous material or wastes present, and the proximity of sensitive receptors.

All the activities identified in Table 2-1 would be expected to have impacts to the topic of hazards and hazardous wastes. As such, the following responses to the checklist questions discuss these activities. Both construction and operational impacts are addressed as applicable.

VIII. a), b) & c) Less than Significant. PR 2305 has been developed to reduce local and regional emissions, and to facilitate local and regional emission reductions associated with warehouses and the mobile sources attracted to warehouses. Affected owners and operators of warehouses are expected to comply with the rule by earning WAIRE points through the selection and implementation of WAIRE Menu items such as onsite solar panels or installing charging and refueling ZE and NZE infrastructure. The proposed project does not cause or require owners or operators of warehouses to select WAIRE Menu items that require construction; however, owners or operators of warehouses may choose to comply with PR 2305 by selecting WAIRE Menu items that require minor construction. Any construction activities that occur as a result of PR 2305 are expected to be minor and are not expected to generate additional hazards at the affected warehouses. Operational activities could involve the use and disposal of batteries, associated with ZE trucks, ZE yard trucks, and solar panels. The operational phase could also involve the use and disposal of air filters. Furthermore, the use of ZE or NZE trucks and installation of ZE or NZE refueling stations could involve the use of natural gas or hydrogen fuel. However, these hazardous materials are not expected to create a new significant hazard to the public or environment. The following is a discussion of potential hazards and hazardous materials impacts that could occur during construction and operation as a result of implementing PR 2305.

Construction

Construction activities associated with onsite and near site installations of structures, equipment, and infrastructure could involve the use of hazardous materials. If construction activities occur at affected warehouses, those activities could involve use of hazardous materials including cleansers and degreasers; fluids used in routine maintenance and operation of construction equipment, such as oil and lubricants; and architectural coatings including paints. However, if any hazardous materials are used during construction the use, storage, transportation, and management of such hazardous materials and wastes would be regulated by federal, state, and local laws and would not be in such quantities or stored in such a manner as to pose a significant safety hazard. Further, construction activities would be temporary and are expected to cease upon completion.

For example, all spills or leakage of petroleum products during construction activities are required to be immediately contained, the hazardous material identified, and the material remediated in compliance with applicable state and local regulations for the cleanup and disposal of that contaminant.

For the reasons described above, impacts to the public, the environment, or nearby schools through the routine use and transport of hazardous materials, or reasonably foreseeable upset conditions involving the release of hazardous materials into the environment during construction are expected to be less than significant.

Operation

Implementation of PR 2305 may result in hazards and hazardous materials operational impacts due to: 1) the installation and/or use of ZE charging/refueling infrastructure, such as natural gas or hydrogen fuel, which may require preparation of a hazardous materials business plan if fuels are stored onsite in substantial quantities[14]; 2) acquiring and/or using on-road NZE trucks and the

[14] State of California, California Code, Health and Safety Code - § 25507, January 1, 2019, Section 4.3.4.2, Use of Alternative Fuels, pages 4.3-17 through 4.3-29. http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC&sectionNum=25507

associated increase demand for alternative fuels; 3) an increase in the number of battery-powered trucks and yard trucks powered by lithium batteries, which are regulated as a hazardous material; 4) batteries associated with the use of solar panels; and 4) maintenance and replacement of community based air filters/filtration systems.

The March 2017 Final Program EIR for the 2016 Air Quality Management Plan analyzed control measure MOB-03, *Emission Reductions at Warehouse Distribution Centers*, and dismissed impacts associated with the routine transport, use, or disposal of alternative fuels and batteries and impacts associated with the reasonably foreseeable upset and accident conditions involving the release of these hazardous materials into the environment.[15]

The use and transport of alternative fuels and batteries associated with installing and/or using ZE charging/refueling infrastructure, the increased use of NZE vehicles, and the increased use of battery-powered trucks and yard trucks as part of implementing the proposed project is consistent with the analysis in the March 2017 Final Program EIR as shown in Section 4.3.4.2, *Use of Alternative Fuels,* and Section 4.3.4.7, *Transport Hazards*, of this report.

The March 2017 Final Program EIR includes various existing regulations and recommended safety procedures that, when employed, will reduce hazards impacts associated with the use of alternative clean fuels and batteries when compared to conventional fuels (see Table 4.3-5, *Summary of Hazards and Existing Safety Regulations/Procedures Associated with Alternative Fuels*, of the March 2017 Final Program EIR). Consistent with the analysis in the March 2017 Final Program EIR, when users of alternative fuels and batteries comply with existing regulations and recommended safety procedures, hazards impacts from activities as a result of the proposed project are expected to be the same or less than those of conventional fuels.

Additionally, the use of alternative fuels and batteries requires additional knowledge and training of emergency responders and owners/operators of charging/fueling stations. Further, as use of alternative fuels and batteries increases, the use of conventional fuels such as gasoline and diesel will decline. As a result, explosion and flammability hazards associated with conventional fuels will also decline. Furthermore, hazards and hazardous clean-up associated with accidental releases of conventional fuels, especially diesel, are reduced with increasing use of alternative fuels. The March 2017 Final Program EIR also found that hazards associated with the transportation of the alternative fuels would not be a significant risk factor.[16]

Operations would also involve the use of small amounts of hazardous materials, such as cleansers, paints, degreasers, adhesive, and sealers for cleaning and maintenance purposes. Operations would also generate small amounts of hazardous waste from the maintenance and replacement of community based air filters/filtration systems and the maintenance and replacement of batteries for solar panels. The use, storage, transport, and disposal of hazardous materials would be governed by existing regulations of several agencies, including the U.S. EPA, US Department of Transportation, the California Regional Water Quality Control Board, California Division of Occupational Safety and Health, and local or regional environmental health departments and fire departments. Strict adherence to all local and regional emergency response plan requirements would also be required. Furthermore, warehouse owners or operators would be required to provide

[15] South Coast AQMD, Final Program Environmental Impact Report for the 2016 Air Quality Management Plan, March 2017. http://www.aqmd.gov/docs/default-source/ceqa/documents/aqmd-projects/2016/2016aqmpfpeir.pdf?sfvrsn=10

[16] State of California, California Code, Health and Safety Code - § 25507, January 1, 2019. http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC&sectionNum=25507

workers with training on safe use, handling, and storage of hazardous materials and would maintain equipment and supplies for containing and cleaning up spills of hazardous materials that could be safely contained and cleaned by onsite workers.

For the reasons described above, impacts to the public or environment through the continued routine operations at warehouses are expected to be less than significant.

VIII. d) Less Than Significant Impact. Implementation of PR 2305 might include the installation of ZE charging/refueling infrastructure, and solar panels on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 such as a leaking underground storage tank site, cleanup program sites, hazardous waste sites, and brownfield sites.

Remediation of such sites prior to development would comply with the following federal, State, local laws and regulations:

- **Transportation of Hazardous Waste.** Hazardous materials and hazardous wastes will be transported to and/or from the projects developed pursuant to regulation XXIII in compliance with the U.S. Department of Transportation regulations listed in the Code of Federal Regulations (Title 49, Hazardous Materials Transportation Act); California Department of Transportation standards; and the California Occupational Safety and Health Administration standards.

- **Resource Conservation and Recovery Act.** Hazardous waste generation, transportation, treatment, storage, and disposal will be conducted in compliance with the Subtitle C of the Resource Conservation and Recovery Act (RCRA) (Code of Federal Regulations, Title 40, Part 263), including the management of nonhazardous solid wastes and underground tanks storing petroleum and other hazardous substances. Designated Certified Unified Program Agencies would implement state and federal regulations for the following programs: (1) Hazardous Materials Release Response Plans and Inventory Program, (2) California Accidental Release Prevention Program, (3) Aboveground Petroleum Storage Act Program, and (4) Underground Storage Tank Program (5) Hazardous Waste Generator and Onsite Hazardous Waste Treatment Programs (6) Hazardous Materials Management Plan and Hazardous Material Inventory Statement Program.

- **California UST Regulations.** Underground storage tank (UST) repairs and/or removals will be conducted in accordance with the California UST Regulations (Title 23, Chapter 16 of the California Code of Regulations). Any unauthorized release of hazardous materials will require release reporting, initial abatement, and corrective actions that will be completed with oversight from the Regional Water Quality Control Board, Department of Toxic Substances Control, Fire Protection Districts, South Coast AQMD, and/or other regulatory agencies, as necessary.

- **Requirements for Phase I Environmental Site Assessments.** Phase I Environmental Site Assessments are required for land purchasers to qualify for the Innocent Landowner Defense under Comprehensive Environmental Response, Compensation, and Liability Act, to minimize environmental liability under other laws such as RCRA, and as a lender prerequisite to extend a loan for purchase of land.

- **Volatile Organic Compound Emissions.** South Coast AQMD's Rule 1166, *Volatile Organic Compound Emissions from Decontamination of Soil*, establishes requirements to control the emission of VOCs from excavating, grading, handling, and treating soil contaminated from leakage, spillage, or other means of VOCs deposition. Rule 1166 stipulates that any parties planning on excavating, grading, handling, transporting, or treating soils contaminated with VOCs must first apply for and obtain, and operate pursuant to, a mitigation plan prior to commencement of operation. Best available control technology is required during all phases of remediation of soil contaminated with VOCs. Rule 1166 also sets forth testing, record keeping and reporting procedures that must be followed at all times. Non-compliance with Rule 1166 can result in the revocation of the approved mitigation plan, the owner and/or the operator being served with a Notice of Violation for creating a public nuisance, or an order to halt the offending operation until the public nuisance is mitigated.

- **Earth Moving Activities of Soils Contaminated by Toxic Air Contaminants.** South Coast AQMD's Rule 1466, *Control of Particulate Emissions from Soils with Toxic Air Contaminants*, applies to any owner or operator conducting earth-moving activities of soil with applicable toxic air contaminant(s) as defined in paragraph (c)(15) of the rule that have been identified as contaminant(s) of concern at a site. The provisions in Rule 1466 include ambient PM10 monitoring, dust control measures, notification, signage, and recordkeeping requirements. The rule does not apply to earth-moving activities of soil with applicable toxic air contaminant(s) of less than 50 cubic yards.

Installation of equipment such as solar panels would not require ground disturbance underneath the current foundations. However, installation of ZE charging/refueling infrastructure could require grading activities, which may or may not require excavations underneath the current foundations. Excavation is expected to be minimal and would be associated with the installation of conduits, foundations for infrastructure, or underground storage tank. However, the installation of ZE charging/refueling infrastructure is not expected to exacerbate existing hazards since construction activities would be managed to minimize disturbance onsite, in accordance with applicable federal, state, and local rules and regulations. Projects that would require a grading permit prior to installation of ZE charging/fueling infrastructure would be subject to local regulations. Activities resulting from the compliance of the proposed project would also be subject to project-level review, including review of hazard impacts under CEQA, as applicable. Therefore, significant hazards from sites that might be included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 would be less than significant.

VIII. e) No Impact. The State Aeronautics Act of the California Public Utilities Code establishes statewide requirements for the airport land use compatibility planning and requires nearly every county to create an Airport Land Use Commission or an alternative process with a designated responsible agency or agencies. The main goal of the Airport Land Use Commission (ALUC) or designated responsible agency is to protect the public health, safety and welfare by ensuring the orderly expansion of airports and the adoption of land use measures that minimize the public's exposure to extensive noise and safety hazards within areas around airports. Compatibility issues are identified and analyzed in Airport Land Use Compatibility Plans for each airport, as applicable, and implementation of these plans promotes compatible development around the airports. ALUCs and/or designated responsible agencies would review land use compatibility issues for any projects

pursuant to PR 2305 that are within airport safety zones including safety, noise, overflight and airspace protection.

Furthermore, Federal Aviation Administration regulation, 14 CFR Part 77 – *Safe, Efficient Use and Preservation of the Navigable Airspace*, provides information regarding the types of projects that may affect navigable airspace. Projects may adversely affect navigable airspace if they involve construction or alteration of structures greater than 200 feet above ground level within a specified distance from the nearest runway or objects within 20,000 feet of an airport or seaplane base with at least one runway more than 3,200 feet in length and the object would exceed a slope of 100:1 horizontally (100 feet horizontally for each one foot vertically from the nearest point of the runway). As such, the installation of ZE charging/refueling infrastructure and solar panels is not expected to affect navigable airspace. Therefore, projects 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 not result in a safety hazard for people residing or working in the project area.

VIII. f) No Impact. Local emergency management plans, evacuation plans, and/or safety elements included in General Plans typically include emergency evacuation route maps that help residents evacuate during emergencies while simultaneously allowing first responders' access into a disaster area without congestion and gridlock. Identified routes consist mostly of interstate freeways and state highways. The maps are intended to support pre-emergency identification of options for ingress and egress. The specific emergency routes employed in the case of an actual emergency are usually designated by evacuation authorities based on emergency conditions and are communicated to residents at the time of the emergency.

Local emergency management plans or hazard mitigation plans address how counties and cities should respond to extraordinary events or disasters (e.g., aviation accidents, civil unrest and disobedience/riot, dam and reservoir failure, disease, earthquake, flood, etc.), from the preparedness phase through recovery. County or city fire and law enforcement departments are responsible for coordinating all emergency management activities and implementing local emergency management or hazard mitigation plans.

PR 2305 would cause no physical changes to roadways or alter traffic patterns on highways and freeways and new offsite structures might include ZE charging/refueling infrastructure near applicable warehouses. Construction activities associated with the proposed project, including staging and stockpiling, would occur within the project boundaries and would not occur on any major arterials or highways that may be used during potential emergency situations. Activities resulting from the compliance of the proposed project would also be required to provide adequate access for emergency vehicles per the California Fire Code. Any short-term temporary impacts on adjacent roadways would be temporary and limited to the construction period. Therefore, PR 2305 is not expected to impair the implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

VIII. g) Less than Significant. WAIRE Menu items, such as high power electric equipment, solar panels, and hydrogen and natural gas infrastructure could increase fire hazard risk. The California Fire Code and CBC set standards intended to minimize risks from flammable or otherwise hazardous materials. Local jurisdictions are required to adopt the uniform codes or comparable regulations. Local fire agencies require permits for the use or storage of hazardous materials and permit modifications for proposed increases in their use. Permit conditions depend on the type and quantity of the hazardous materials at the facility. Permit conditions may include, but are not

limited to, specifications for sprinkler systems, electrical systems, ventilation, and containment. The fire departments make annual business inspections to ensure compliance with permit conditions and other appropriate regulations. Further, businesses are required to report increases in the storage or use of flammable and otherwise hazardous materials to local fire departments. Local fire departments ensure that adequate permit conditions are in place to protect against the potential risk of upset. In addition, the National Fire Protection Association has special designations for deflagrations (e.g., explosion prevention) when using materials that may be explosive. Therefore, impacts would be less than significant.

Conclusion

Based upon these considerations, significant adverse hazards and hazardous materials impacts are not expected from implementing the proposed project. Since no significant hazards and hazardous materials impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
IX.	**HYDROLOGY AND WATER QUALITY.** Would the project:				
a)	Violate any water quality standards, waste discharge requirements, or otherwise substantially degrade surface or ground water quality?	☐	☐	☑	☐
b)	Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☑	☐
c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				
	• Result in substantial erosion or siltation on- or off-site?	☐	☐	☑	☐
	• Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	☐	☐	☑	☐
	• Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?	☐	☐	☑	☐
	• Impede or redirect flood flows?	☐	☐	☑	☐
d)	In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☐	☑
e)	Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	☑	☐

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
f)	Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, facilities or new storm water drainage facilities, the construction or relocation of which could cause significant environmental effects?	☐	☐	☑	☐
g)	Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☑	☐
h)	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?	☐	☐	☑	☐

Significance Criteria

Potential impacts on water resources will be considered significant if any of the following criteria apply:

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 262,820 gallons per day of potable water.
- The project increases demand for total water by more than five million gallons per day.

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
While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing NZE and ZE charging and fueling infrastructure, and installing solar panels would be expected to have impacts to the topic of hydrology and water quality. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

IX. a) Less Than Significant Impact. PR 2305 contains no requirements regarding the new usage of water or the new generation of wastewater, though water may be used and wastewater generated through normal existing warehouse operations. Implementation of PR 2305 will take place within South Coast AQMD's jurisdiction where water quality is regulated by the applicable Regional Water Quality Control Board (RWQCB) and its Water Quality Control (Basin Plan). Basin Plans contain water quality standards and identify beneficial uses (wildlife habitat, agricultural supply, fishing, etc.) for receiving waters along with water quality criteria and standards necessary to support these uses consistent with federal and state water quality laws.

The following is a discussion of potential water quality impacts from urban runoff generated during implementation of PR 2305.

Construction
Construction-related runoff pollutants are typically generated from waste and hazardous materials handling or storage areas, outdoor work areas, material storage areas, and general maintenance areas (e.g., vehicle or equipment fueling and maintenance, including washing). Construction activities associated with the installation of ZE and NZE charging and refueling stations and solar panels would be minimal in nature and would not involve long construction schedules or the extensive use of hazardous materials and construction equipment.

Furthermore, construction-related activities that are primarily responsible for sediment releases are related to exposing previously stabilized soils to potential mobilization by rainfall/runoff and wind. Such activities may include earthwork for the installation of conduits and foundations. Grading may also be necessary for the installation of solar panels, ZE and NZE charging and refueling stations, including storage tanks for hydrogen fuel and natural gas, which typically would be installed above ground.

Construction-related activities would generate pollutants that could adversely affect the water quality of downstream receiving waters if appropriate and effective stormwater and non-stormwater management measures are not used to keep pollutants out of and remove pollutants from urban runoff.

Construction projects greater than 1 acre would be subject to the NPDES permitting regulations. Projects develop and implement a SWPPP estimating sediment risk from construction activities to receiving waters and specifying BMPs that would be implemented as a part of the project to minimize pollution of stormwater. Adherence to the BMPs in the SWPPP would reduce, prevent, minimize, and/or treat pollutants and prevent degradation of downstream receiving waters. BMPs identified in the SWPPP would reduce or avoid contamination of stormwater with sediment and other pollutants such as trash and debris; oil, grease, fuels, and other toxic chemicals; paint, concrete, asphalt, bituminous materials, etc.; and nutrients. Therefore, impacts to water quality during construction as a result of implementing PR 2305 would be less than significant.

Operation

Operational-related activities (e.g., runoff from the charging and refueling areas and solar panels) would generate pollutants that could adversely affect the water quality of downstream receiving waters if effective measures are not used to keep pollutants out of and remove pollutants from urban runoff. Operational activities resulting from PR 2305 are required to comply with requirements included in local municipal codes or standards and guidelines established by local stormwater management programs. Additionally, activities that result from compliance with the proposed project would be subject to project-level review, including review of impacts to water quality under CEQA, as applicable.

Based on the preceding, no significant water quality and waste-discharge impacts from operation activities would occur and impacts would be less than significant.

IX. b) Less than Significant Impact. Under PR 2305, warehouse operators and/or warehouse and fleet operators might replace trucks with ZE and NZE trucks. The proposed project might also include installing ZE charging/fueling infrastructure, solar panels, and ZE charging/refueling infrastructure near existing warehouses. The proposed replacement and/or installation of vehicles, equipment, and infrastructure require a minimal amount of water supply. Implementation of PR 2305 does not include agriculture or residential land uses which are considered to be land uses with higher water demand requirements. Furthermore, activities that result from compliance with the proposed project would be subject to project-level review, including review of impacts to groundwater supply under CEQA, as applicable; thus impacts would be less than significant.

IX. c) Less Than Significant Impact. PR 2305 would require owners or operators of affected warehouse to select compliance options from the WAIRE Menu; some of which may require minor construction activities. Erosion and siltation impacts potentially resulting from alteration of the drainage pattern due to compliance with PR 2305 would, for the most part, occur during construction activities associated with implementation of WAIRE Menu items such as onsite infrastructure improvements, which could include site preparation and grading activities. Environmental factors that affect erosion include topographic, soil, wind, and rainfall characteristics. Siltation is most often caused by soil erosion or sediment spill. The following is a discussion of the potential erosion and siltation impacts that could occur as a result of implementing PR 2305.

Construction

Construction to complete activities that result from compliance with the proposed project may require some minor earthwork to prepare affected areas at an affected warehouse. Construction activities; however, would not be expected to permanently create unpaved areas that would be vulnerable to surface runoff in a manner that would result in substantial erosion or siltation on- or off-site or flooding on- or offsite. In addition, PR 2305 would not create new or contribute to existing runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff, because PR 2305 does not contain any requirements that would change existing drainage patterns or the procedures for how surface runoff is handled.

Further, as discussed above in section IX.a, construction contractors would be required to prepare and implement an SWPPP pursuant to the CGP during grading and construction, as applicable. The SWPPP would specify erosion- and sediment-control BMPs that the project construction contractor would implement prior to and during grading and construction to minimize erosion and

siltation impacts on- and offsite at affected warehouses. Erosion control BMPs are designed to prevent erosion, whereas sediment controls are designed to trap or filter sediment once it has been mobilized. Adherence to the BMPs in the SWPPP would reduce, prevent, or minimize soil erosion from grading and construction activities. These construction-phase BMPs would also ensure effective control of not only sediment discharge, but also of pollutants associated with sediments (e.g., nutrients, heavy metals, and certain pesticides).

Therefore, construction activities would not result in substantial erosion or siltation on- or offsite. Construction-related impacts would be less than significant and no mitigation measures are necessary.

Operation

As discussed above in section IX.a all activities undertaken as a result of implementing PR 2305 that have the potential to discharge urban runoff must comply with NPDES permitting regulations and utilize BMPs as applicable to reduce the discharge of pollutants to receiving waters. Activities resulting from compliance with PR 2305 are required to comply with local municipal codes, standards, and guidelines established by the applicable stormwater management programs and will also be subject to project-level review. Furthermore, offsite projects that may alter the course of a stream or river would be subject to project-level review, including review of impacts to hydrology and water quality under CEQA, as applicable. Therefore, operation of PR 2305 is not expected to result in substantial erosion or siltation on- or offsite. Operation-related impacts would be less than significant and no mitigation measures are necessary.

Activities that occur onsite at applicable warehouses as a result of implementing PR 2305 are unlikely to be located in a flood zone as indicated on the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRMs) since affected warehouse are already developed. The FRIMs provide flood information and identify flood hazard zones. The design standard for flood protection is established by FEMA. FEMA's minimum level of flood protection for new development is the 100-year flood event, also described as a flood that has a 1-in-100 chance of occurring in any given year. Furthermore, counties and cities include flood protection measures and policies in local General Plans, Code of Ordinances and municipal codes. Activities undertaken to comply with PR 2305 would also be subject to project-level review, including review of impacts due to flooding under CEQA, as applicable. Lastly, any flood event that occurs would be part of the existing setting and therefore not an impact from compliance with PR 2305.

Therefore, impacts to the existing drainage pattern of an affected warehouse site or the area beyond what currently exists at an existing warehouse would be less than significant.

IX. d) No Impact. As noted in section IX d. above, impacts due to flood zones indicated on FEMA FIRM maps would be less than significant because affected warehouses are already developed, and PR 2305 does not require new warehouse development in undeveloped areas. In addition to flood zones, activities implemented to comply with PR 2305 could be located in dam inundation zones; however because those activities undertaken to comply with PR 2305 will be occurring on existing warehouse sites any inundation as the result of a dam failure would be part of the existing setting that is present for reasons unrelated to PR 2305. Further, dams in California are monitored and inspected annually by the California Division of Safety of Dams. Dam owners are required to maintain Emergency Action Plans (EAPs) that include procedures for damage assessment and emergency warnings. An EAP identifies potential emergency conditions at a dam and specifies preplanned actions to help minimize property damage and loss of life should those

conditions occur. EAPs contain procedures and information that instruct dam owners to issue early warning and notification messages to downstream emergency management authorities.

A seiche is an oscillating surface wave in a restricted or enclosed body of water, generated by ground motion, usually during an earthquake. Seiches are of concern for water storage facilities, because inundation from a seiche can occur if the wave overflows a containment wall, such as the wall of a reservoir, water storage tank, dam, or other artificial body of water. Activities undertaken to comply with PR 2305 may be at risk of inundation due to seiches however any flood event of this nature would be part of the existing setting that is present for reasons unrelated to PR 2305.

Furthermore, tsunamis are a type of earthquake-induced flooding produced by large-scale sudden disturbances of the sea floor. Tsunami waves interact with the shallow sea floor when approaching a landmass, resulting in an increase in wave height and a destructive wave surge into low-lying coastal areas. Activities undertaken to comply with PR 2305 may be at risk of inundation due to Tsunamis if they occur at existing warehouse locations which are at risk for Tsunamis. However, any Tsunami hazard would be part of the existing setting that is present and unrelated to PR 2305.

Activities undertaken to comply with PR 2305 would be subject to project-level review, including the review of impacts due to inundation under CEQA, as applicable. Furthermore, the storage of hazardous materials onsite would be governed by existing regulations of several agencies, including the U.S. EPA, US Department of Transportation, the California RWQCB, California Division of Occupational Safety and Health, and local or regional environmental health departments and fire departments. Strict adherence to all local and regional emergency response plan requirements would also be required. In addition, implementing PR 2305 would not be expected to violate any regulatory requirements in regard to storage of hazardous materials onsite. Based on the preceding, activities that result from compliance with the proposed project would not release pollutants as the result of floods, tsunami, or seiche. Therefore, no impact would occur and no mitigation measures are necessary.

IX. e) Less Than Significant Impact. Water quality for proposed projects within South Coast AQMD's jurisdiction are regulated by the applicable RWQCB and its Water Quality Control Basin Plan. As described in section IX a. above, activities undertaken to comply with PR 2305 would not violate any water quality standards and will therefore not obstruct the implementation of the Basin Plan.

On September 16, 2014, Governor Jerry Brown signed into law a three-bill legislative package, composed of AB 1739 (Dickinson), SB 1168 (Pavley), and SB 1319 (Pavley), collectively known as the Sustainable Groundwater Management Act (SGMA). The SGMA sets a framework for sustainable, groundwater management. SGMA requires governments and water agencies of high and medium priority basins to halt overdraft and bring groundwater basins into balanced levels of pumping and recharge. SGMA empowers local agencies to form Groundwater Sustainability Agencies (GSAs) to manage basins sustainably and requires those GSAs to adopt Groundwater Sustainability Plans (GSPs) for crucial groundwater basins in California. Activities undertaken to comply with PR 2305 may be located in areas that are governed under a GSP. As discussed in section IX b. above, activities that result from compliance with the proposed project would not violate any groundwater quality standards and will not decrease groundwater supplies or interfere substantially with groundwater recharge. Therefore, PR 2305 would not conflict with or obstruct the implementation of a groundwater management plan and impacts would be less than significant.

IX. f), g) & h) Less Than Significant Impact. As indicated in section IX.b, replacement of vehicles and equipment, and installation of ZE charging/refueling infrastructure require a minimal amount of water. Activities that result from compliance with the proposed project do not include agriculture or residential land uses which are considered to be land uses with higher water demand requirements. Furthermore, activities pursuant to the implementation of the proposed project would not generate wastewater. Local county and city ordinances that apply to water conservation and efficiency would also be implemented and activities that result from compliance with the proposed project would be subject to project-level review, including review of impacts to water facilities under CEQA, as applicable. Therefore, impacts from any relocation or construction of new or expanded water and wastewater treatment facilities would be less than significant. Furthermore, sufficient water supplies would be available to serve activities pursuant to PR 2305 and would not result in a determination by the wastewater treatment provider that it has adequate capacity to serve the projected demand in addition to the provider's existing commitments.

Conclusion

Based upon these considerations, significant adverse hydrology and water quality impacts are not expected from implementing the proposed project. Since no significant hydrology and water quality impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
X. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?	☐	☐	☐	☑
b) Cause an environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☑

Significance Criteria

Land use and planning impacts will be considered significant if the project conflicts with the land use and zoning designations established by local jurisdictions.

Discussion

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing and using NZE and ZE charging and fueling infrastructure would be expected to have impacts to the topic of land use and planning. As such, the following responses to the checklist questions limit the discussion to these activities.

X. a) No Impact. PR 2305 would not require or induce new warehouse development and the physical effects that will result from PR 2305 will occur at existing affected warehouses located in industrial and commercial areas and would not be expected to go beyond existing site boundaries. However, PR 2305 could result in installation of ZE charging/refueling infrastructure near applicable warehouses. Offsite improvements would be located in close proximity to existing highways. Therefore, PR 2305 would not result in activities that would physically divide an established community and there would be no impacts.

X. b) No Impact. PR 2305 would not require or induce new warehouse development and the physical effects that will result from PR 2305 will occur at existing affected warehouses located in industrial and commercial areas and would not be expected to go beyond existing site boundaries. Activities resulting from compliance with PR 2305 that would occur near existing warehouses would be governed by adopted planning and regulatory documents such as General Plans, Specific Plans, and zoning codes. The development and design standards contained in these documents constitute the zoning regulations that govern development of project sites. Activities that result from compliance with the proposed project would be subject to project-level review that would assess consistency with these adopted land use regulations, including review of impacts to land use and planning under CEQA, as applicable. Further, PR 2305 does not alter any land use or planning requirements. Therefore, the proposed project would not cause an environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect.

Conclusion

Based upon these considerations, significant adverse land use and planning impacts are not expected from implementing the proposed project. Since no significant land use and planning impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	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?	☐	☐	☐	☑
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?	☐	☐	☐	☑

Significance Criteria

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

- 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

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing and using NZE and ZE charging and fueling infrastructure would be expected to have impacts to the topic of mineral resources. As such, the following responses to the checklist questions limit the discussion to these activities.

XI. a) & b) No Impact. ZE and NZE trucks, equipment, and infrastructure necessary to achieve the WPCO would be implemented at existing warehouses Furthermore, ZE charging/refueling infrastructure may be installed near existing warehouses. Some examples of mineral resources are gravel, asphalt, bauxite, and gypsum, which are commonly used for construction activities or industrial processes. PR 2305 would not require these mineral resources and would have no effects on the use of important minerals, such as those described above. Therefore, there are no activities associated with PR 2305 compliance that would result in the loss of availability of known mineral resources that have value to the region and the residents of the state, or of a locally important mineral resource site shown on a local general plan, specific plan or other land use plan.

Conclusion

Based upon these considerations, significant adverse mineral resource impacts are not expected from implementing the proposed project. Since no significant mineral resource impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XII. NOISE. Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☑	☐
b) Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☑	☐
c) For a project located within the vicinity of a private airstrip or 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?	☐	☐	☐	☑

Significance Criteria

Noise impact will be considered significant if:

- Construction noise levels exceed the local noise ordinances or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three decibels (dBA) at the site boundary. Construction noise levels will be considered significant if they exceed federal Occupational Safety and Health Administration (OSHA) noise standards for workers.
- 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

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing NZE and ZE charging and fueling infrastructure, and installing solar panels would be expected to have impacts to the topic of noise. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

XII. a) Less than Significant. The warehouses that may be affected by PR 2305 are typically located in urbanized industrial and commercial areas. To limit population exposure to physically and/or psychologically damaging, as well as intrusive noise levels, the federal government, the State of California, various county governments, and most municipalities in the state have established standards and ordinances to control noise.

PR 2305 would result in installation of ZE charging/refueling infrastructure near applicable warehouses. Facilities might also install onsite ZE charging/fueling infrastructure and solar panels. Construction of new equipment could result in additional ambient noise levels. Construction activities could require some diesel powered construction equipment (e.g., concrete saws, delivery trucks, trenchers, backhoes, cranes, concrete mixers etc.) however this equipment is typically no larger or noisier than the diesel powered trucks already operating at a warehouse. The construction equipment noise sources identified in Table 2-3 represent equipment that are anticipated to be used for the installation of ZE charging/refueling infrastructure and solar panels.

Table 2-3
Noise Levels from Anticipated Construction Noise Sources

Equipment	Typical Noise Levels in Decibels (dBA)
Backhoe	80
Concrete Mixers	85
Concrete Pump	82
Crane, Derrick	88
Crane, Mobile	83
Loader	85
Saw	76
Truck	88
Shovel	89

Source: Federal Transit Administration, Transit Noise and Vibration Impact Assessment, FTA-VA-90-1003-06, May 2006. https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Noise_and_Vibration_Manual.pdf
Levels are in dBA at 50 feet from the source.

Per Table 2-3, construction noise can be assumed to be an average of 84 dBA at 50 feet from the center of construction activity and using an estimated six dBA reduction for every doubling of distance, the noise levels are expected to decrease to about 60 dBA at about 800 feet from construction activities. Since warehouse facilities are typically located in industrial areas, which have a higher background noise level when compared to other areas, such as a residential neighborhood, the noise generated during construction will likely be indistinguishable from the background noise levels at the property line. Therefore, construction noise impacts on sensitive receptors are expected to be less than significant.

Additionally, noise from the operation of ZE trucks or yard trucks is quieter than the equivalent diesel powered vehicles that are typically used. Any new equipment would be subject to project-level review, including review of noise levels based on the jurisdiction's noise standard, as applicable. Therefore, PR 2305 would not generate noise levels in in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies.

XII. b) Less than Significant. Operation of the proposed project would not generate substantial levels of vibration because there are no notable sources of vibrational energy associated with the proposed project. Therefore, operation would not result in significant groundborne vibration impacts. Impacts would be less than significant and no mitigation measures are necessary.

Construction activities generate varying degrees of ground vibration, depending on the construction procedures, construction equipment used, and proximity to vibration-sensitive uses. The generation of vibration can range from no perceptible effects at the lowest vibration levels, to low rumbling sounds and perceptible vibrations at moderate levels, to slight damage at the highest levels. Vibration associated with ground-borne sources is generally not a common environmental problem. However, construction activities such as blasting, pile driving, and heavy earthmoving equipment are potential sources of vibration during construction activities. In general, demolition of structures during construction generates the highest levels of vibration. The proposed project would not include construction activities that would generate high levels of vibration, rather construction activities would be minimal, short term, and one time in nature and would cease upon completion of the construction phase. Furthermore, activities that result from compliance with the proposed project would be subject to project-level review, including review of noise impacts under CEQA, as applicable.

XII. c) No Impact. The proposed project does not include any activities that might expose people residing or working in the project area to excessive aircraft noise. All activities associated with the implementation of the proposed project will be conducted at existing warehouses and there will be no additional exposure beyond existing conditions. Therefore, there will be no impact.

Conclusion
Based upon these considerations, no significant noise impacts are expected from implementing the proposed project and further analysis would not be included in the Draft EA.

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

Significance Criteria

Impacts of the proposed project on population and housing will be considered significant if the following criteria are exceeded:

- 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

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project none of these activities would have an impact to the topic of population and housing.

XIII. a) & b) No Impact. The proposed project is not anticipated to generate any significant effects, either direct or indirect, on the population or population distribution of people living in the South Coast AQMD's jurisdiction as no additional workers are anticipated to be required to comply with the proposed project. Population growth with South Coast AQMD's jurisdiction is anticipated to grow regardless of the implementation of PR 2305.

Furthermore, compliance with PR 2305 does not include the removal of housing or necessitate the construction of replacement housing elsewhere.

Conclusion

Based upon these considerations, significant adverse population and housing impacts are not expected from implementing the proposed project. Since no significant population and housing impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIV. PUBLIC SERVICES. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, 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:				
a) Fire protection?	☐	☐	☑	☐
b) Police protection?	☐	☐	☐	☑
c) Schools?	☐	☐	☐	☑
d) Parks?	☐	☐	☐	☑
e) Other public facilities?	☐	☐	☐	☑

Significance Criteria

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

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing NZE and ZE charging and fueling infrastructure, and installing solar panels would be expected to have impacts to the topic of public services. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

XIV. a) Less Than Significant Impact. Fire protection and emergency medical services would be provided to affected warehouses subject to PR 2305 by local county and city fire departments. The implementation of the proposed project would not result in an increase in calls for fire protection, and emergency medical service. In addition, activities that result from compliance with the proposed project would be subject to project-level review, including review of fire protection impacts under CEQA, as applicable.

Furthermore, all activities undertaken as a result of PR 2305 would be required to comply with fire-related safety features in accordance with the applicable provisions of the adopted California

Fire Code (CFC) and any county or city ordinances, and standard regarding fire prevention and suppression measures related to water improvement plans, fire hydrants, fire access, and water availability.

Based on the preceding, activities pursuant to PR 2305 would not adversely affect the ability of local fire protection to provide adequate service and impacts would be less than significant and no mitigation measures are necessary.

XIV. b), c) d) & e) No Impact. Activities undertaken to comply with PR 2305 would not result in an increase in calls for police protection. Activities would occur at existing warehouse sites that have established security measures onsite and are subject to compliance with local law enforcement authorities. During plan check and the development review process, the project applicants would be required to comply with the existing regulations in effect at the time building permits are issued, including payment of the established development impact fee as applicable.

The need for new or the expansion of existing schools, parks, or library services and facilities is tied to population growth. As indicated under item XIII, *Population and Housing*, implementing PR 2305 would not induce population growth either directly or indirectly. Therefore, with no increase in local population, there would be no additional demand for new or expanded schools, parks, and libraries and no significant impacts are expected.

Conclusion
Based upon these considerations, significant adverse public services impacts are not expected from implementing the proposed project. Since no significant public services impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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?	☐	☐	☐	☑
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?	☐	☐	☐	☑

Significance Criteria

Impacts to 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

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project none of these activities would have an impact to the topic of recreation.

XV. a) & b) No Impact. Demand for parks and recreational facilities in an area are usually determined by the area's population. The proposed project does not include the development of new homes, which lead to an increase in population and thereby, the need for additional park and recreation facilities. Therefore, the proposed project would not increase the use of existing neighborhood and regional parks or other recreational facilities, nor would it require construction of new or expanded parks or recreational facilities. No impact to park and recreational facilities would occur and no mitigation measures are necessary.

Furthermore, the implementation of the proposed project does not include the development of recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment.

Conclusion

Based upon these considerations, significant adverse recreation impacts are not expected from implementing the proposed project. Since no significant recreation impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVI. SOLID AND HAZARDOUS WASTE. Would the project:				
a) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☑	☐
b) Comply with federal, state, and local management and reduction statutes and regulations related to solid and hazardous waste?	☐	☐	☐	☑

Significance Criteria

The proposed project impacts on solid and hazardous waste will be considered significant if the following occurs:

- The generation and disposal of hazardous and non-hazardous waste exceeds the capacity of designated landfills.

Discussion

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only the use of on-road ZE trucks, using ZE yard trucks, installing solar panels, and installing high-efficiency filters or filter systems would be expected to have impacts to the topic of solid and hazardous waste. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

XVI. a) Less Than Significant Impact.

Construction

Installing ZE charging/fueling infrastructure, and the installation of solar panels would result in minor construction activities that may result in the generation of some construction waste that may need to be disposed in a landfill. PR 2305 does not contain any requirements that would cause existing practices for disposing of solid and hazardous waste to change. For this reason, warehouses that currently comply with all applicable local, state, or federal waste disposal regulations would not be expected to change their current practices due to implementation of PR 2305. If a warehouse owner or operator chooses a WAIRE Menu item that requires construction such as onsite fueling or charging infrastructure there is a possibility that small amounts of waste will be generated from replacement of parts during routine servicing and maintenance of the onsite improvements. The amount of waste generated would be negligible when considering the existing regular waste generation from ordinary warehouse operations. Further, all construction activities associated with compliance with PR 2305 should abide by the requirements of CALGreen Section 5.408, *Construction Waste Reduction, Disposal and Recycling*, as applicable. As currently

codified, these regulatory sections require diversion of 65 percent of nonhazardous construction and demolition waste through recycling, reuse, and diversion programs.

Operation

The March 2017 Final Program EIR for the 2016 Air Quality Management Plan analyzed control measure MOB-03, *Emission Reductions at Warehouse Distribution Centers,* and dismissed impacts associated with spent batteries from electric vehicles based on the following discussion.

As interest in the use of electric vehicles has increased over the years, battery technologies have been developing and improving. Most battery technologies employ materials that are recyclable, since California laws have created incentives and requirements for recycling batteries as follows:

- California and federal law require the recycling of lead-acid batteries (Health and Safety Code §25215). Spent lead-acid batteries being reclaimed are regulated under 22 CCR §66266.80 and 66266.81, and 40 CFR part 266, Subpart G.
- The federal Battery Act promulgated in 1996 requires that each regulated battery be labeled with a recycling symbol. Nickle-Cadmium (NiCad) batteries must be labeled with the words "NiCad" and the phrase "Battery must be recycled or disposed of properly." Lead-acid batteries must be labeled with the words "Lead," "Return," and "Recycle."
- The Health and Safety Code does not allow the disposal of lead-acid batteries at a solid waste facility or on or in any land, surface waters, water courses, or marine waters. Legal disposal methods for used lead-acid batteries are to recycle/reuse the battery or to dispose of it at a hazardous waste disposal facility. A lead-acid battery dealer is required to accept spent batteries when a new one is purchased.
- The Universal Waste Rule requires that spent batteries exhibiting hazardous waste characteristics and are not recycled need to be managed as hazardous waste. This includes lead-acid and NiCad batteries.

Existing battery recovery and recycling programs have limited the disposal of batteries in landfills. For example, the recycling of lead-acid and NiCad batteries is already a well-established activity. Further penetration of NZE and ZE emission mobile sources is expected to result in a reduction in the use of lead-acid and NiCad batteries. Implementation of the proposed project would be expected to result in an increased use of electric vehicles which use nickel-metal hydride (NiMH) and lithium ion (Li-ion) batteries, instead of lead-acid and NiCad batteries. NiMH and Li-ion batteries generally contain materials that have high economic value and, therefore, are recyclable.

Improper disposal of NiMH batteries poses less environmental hazard because of the absence of lead and cadmium, which is considered to be toxic. Most industrial nickel is recycled, due to the relatively easy retrieval of the magnetic element from scrap using electromagnets, and due to its high value. Additionally, Li-ion batteries are between 70 and 100 percent recyclable, depending on the particular chemistry of the batteries. There are a number of different types of Li-ion batteries in use, and more are being developed. The components of Li-ion batteries that cannot be recycled are mostly consumed as fuel in the furnaces that are used to melt down the metals, which include cobalt, copper, iron, nickel, manganese, and lithium. Because Li-ion batteries have a potential for after-automotive use, destructive recycling can be postponed for years even after batteries can no longer hold and discharge sufficient electricity to power a motor. Furthermore, electric batteries

tend to last substantially longer than lead-acid batteries in conventional vehicles and an increase in the use of electric vehicles would result in a decrease in the amount of spent lead-acid batteries that require recycling. [17]

Therefore, for the reasons described above and consistent with the analysis in the March 2017 Final Program EIR, impacts from the generation of hazardous solid waste associated with the use of ZE trucks, ZE yard trucks, and solar panels that occur as a result of compliance with the proposed project would be less than significant.

Furthermore, during the operational phase, the requirements of the local Integrated Waste Management Plan (IWMP) and any local solid waste ordinances would be implemented to ensure that all activities comply with all applicable state and federal laws. IWMPs ensure that cities reach the diversion and other goals mandated by the California Integrated Waste Management Act of 1989 (AB 939). AB 939 requires all California cities to divert 50 percent of their waste stream from landfills by the year 2000. Additionally, activities that result from compliance with PR 2305 would be subject to project-level review, including review of impacts from solid waste under CEQA, as applicable.

Based on the preceding, impacts on landfill capacity would be less than significant and no mitigation measures are necessary.

XVI. b) No Impact. The following federal, state, and local laws and regulations govern solid waste disposal:

- U.S. EPA's Resource Conservation and Recovery Act of 1976 which contains regulations for municipal solid waste landfills and requires states to implement their own permitting programs incorporating the federal landfill criteria.
- AB 341 (Chapter 476, Statutes of 2011) which increases the statewide waste diversion goal to 75 percent by 2020.
- AB 939 (Integrated Solid Waste Management Act of 1989; Public Resources Code 40050 et seq.) which requires every California city and county to divert 50 percent of its waste from landfills by the year 2000 by such means as recycling, source reduction, and composting. In addition, AB 939 requires each county to prepare a countywide siting element specifying areas for transformation or disposal sites to provide capacity for solid waste generated in the county that cannot be reduced or recycled for a 15-year period.
- AB 1327 (California Solid Waste Reuse and Recycling Access Act of 1991) which requires local agencies to adopt ordinances mandating the use of recyclable materials in development projects.

Any project-related construction and operation resulting from compliance with PR 2305 would be implemented in accordance with all applicable federal, state, and local laws and regulations governing solid waste disposal. Therefore, no impact would occur, and no mitigation measures are necessary.

[17] State of California, California Code, Health and Safety Code - § 25507, January 1, 2019, Section 4.6.4.1, Spent Batteries from Electric Vehicles, pages 4.6-8 through 4.6-12 and Section 4.4.4.2.4, Electric Vehicles, pages 4.4-13 through 4.4-17 http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC&sectionNum=25507

Conclusion

Based upon these considerations, significant adverse solid and hazardous waste impacts are not expected from implementing the proposed project. Since no significant solid and hazardous waste impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVII. TRANSPORTATION.	Would the project:				
a)	Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☑	☐	☐	☐
b)	Conflict with or be inconsistent with CEQA Guidelines Section 15064.3(b)?	☑	☐	☐	☐
c)	Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☑
d)	Result in inadequate emergency access?	☐	☐	☐	☑

Significance Criteria

Impacts on transportation and traffic will be considered significant if any of the following criteria apply:

- 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 or contributes to changes in overall vehicle miles traveled.
- There is an increase in vehicle miles traveled that is substantial in relation to the existing travel activity.
- Water borne, rail car or air traffic is substantially altered.
- Traffic hazards to motor vehicles, bicyclists or pedestrians are substantially increased.
- The need for more than 350 employees.
- An increase in heavy-duty transport truck traffic to and/or from the facility by more than 350 truck round trips per day.
- Increase customer traffic by more than 700 visits per day.

Discussion

While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only the use of on-road NZE and ZE trucks, installing and/or using ZE charging/fueling infrastructure, installing solar panels, and installing high-efficiency filters or filter systems would be expected to have impacts to the topic of transportation. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

XVII. a) & b) Potentially Significant Impact. Construction trips and vehicle miles traveled are associated with vendor trucks that provide deliveries of equipment and building materials, as well

as worker vehicles as they commute to construction sites. Construction trips could be potentially significant and will be discussed further in the EA.

Furthermore, it is anticipated that implementation of PR 2305 could change regional truck travel patterns within the South Coast AQMD's jurisdiction during the operational phase but would not result in an increase in passenger vehicle or truck trips for individual warehouses. This change in travel patterns might conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities and impacts would be potentially significant. Further analysis is required to assess the significance of this impact and will be included in the Draft EA.

XVII. c) No Impact. PR 2305 does not involve or require the construction of new roadways, alter existing roadways, or introduce incompatible uses to existing roadways. Thus, there will be no change to current public roadway designs that could increase traffic hazards. Further, PR 2305 is not expected to substantially increase traffic hazards or create incompatible uses at or adjacent to the facilities. Therefore, no impact resulting from hazards due to design features or incompatible uses would occur and no mitigation measures are necessary.

XVII. d) No Impact. Since PR 2305 includes the installation of ZE charging/refueling infrastructure and solar panels. No changes are expected to emergency access at or in the vicinity of the affected facilities. PR 2305 does not contain any requirements specific to emergency access points and each facility would be expected to continue to maintain their existing emergency access. Based on the preceding, no impact to emergency access would occur and no mitigation measures are necessary.

Conclusion

Based upon these considerations, significant construction related transportation impacts may occur from the installation of ZE charging/refueling infrastructure, solar panels, or community benefits projects (e.g., new HVAC systems to filter particulates). Significant operational impacts may also arise from using on-road NZE and ZE trucks and ZE charging/refueling stations. These impacts would be further analyzed in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVIII. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☑
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	☐	☐	☐	☑
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines, or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	☑
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☐	☑
e) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildfires?	☐	☐	☑	☐

Significance Criteria

A project's ability to contribute to a wildfire will be considered significant if the project is located in or near state responsibility areas or lands classified as very high fire hazard severity zones, and any of the following conditions are met:

- The project would substantially impair an adopted emergency response plan or emergency evacuation plan.
- The project may exacerbate wildfire risks by exposing the project's occupants to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire due to slope, prevailing winds, and other factors.
- The project may exacerbate wildfire risks or may result in temporary or ongoing impacts to the environment because the installation or maintenance of associated infrastructure

(such as roads, fuel breaks, emergency water sources, power lines, or other utilities) are required.
- The project would expose people or structures to significant risks such as downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes.
- The project would expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildfires.

Discussion
While the activities identified in Table 2-1 would be expected as a result of implementing the proposed project, only installing and/or using ZE charging/fueling infrastructure, and installing solar panels would be expected to have impacts to the topic of wildfire. As such, the following responses to the checklist questions limit the discussion to these activities. Both construction and operational impacts are discussed as applicable.

XVIII. a) No Impact. Refer to section VIII.f, activities that result from compliance with the proposed project would not block or otherwise interfere with the use of evacuation routes nor would they interfere with operations of emergency response agencies or with coordination and cooperation between such agencies.

XVIII. b) Less Than Significant Impact. Wildland fire protection in California is the responsibility of either the local government, state, or the federal government. State Responsibility Areas (SRA) are the areas in the state where the State of California has the primary financial responsibility for the prevention and suppression of wildland fires.[18] Local responsibility areas (LRA) include incorporated cities, cultivated agriculture lands, and portions of the desert. LRA fire protection is typically provided by city fire departments, fire protection districts, counties, and by California Department of Forestry and Fire Protection (CAL FIRE) under contract to local government. CAL FIRE uses an extension of the SRA Fire Hazard Severity Zone model as the basis for evaluating fire hazard in LRAs. The local responsibility area hazard rating reflects flame and ember intrusion from adjacent wildlands and from flammable vegetation in the urban area. Fire Hazard Severity Zones (FHSZ) are identified by Moderate, High and Very High in an SRA, and Very High in an LRA. Activities resulting from compliance with PR 2305 may occur on existing warehouses located in or near state responsibility areas or lands classified as very high fire hazard severity zones.

All structures pursuant to the implementation of the proposed project that would be located in fire hazard severity zones are required to be designed, built, and operated in accordance with state regulations specifying building materials and structural designs for structures in such zones, including CBC Chapter 7A and California Fire Code (CFC) Chapter 49; and regulatory requirements for defensible space including California Public Resources Code Sections 4291 et seq. Furthermore, structures pursuant to the implementation of the proposed project located in SRA areas will implement the Wildfire SRA Fire Safe Regulations' basic wildland fire protection standards. Electric utilities are required to abide by the requirements of the California Public Utilities Commission (CPUC) Fire Safety Regulations as they relate to utility poles and wires, and vegetation management.

[18] California Department of Forestry and Fire Prevention's Fire and Resource Assessment Program. 2019. Wildfire Hazard Real Estate Disclosure. https://frap.fire.ca.gov/frap-projects/wildfirehazard-real-estate-disclosure-old/.

Additional measures are in place to sidestep the impacts of pollutant concentrations from wildfire ash. Recognition of the growing threat that wildfire smoke poses to public health and safety has resulted in a response led by the US Forest Service and enhanced through partnership with many other agencies, such as the National Park Service. The Wildland Fire Air Quality Response Program (WFAQRP) was created to directly assess, communicate, and address risks posed by wildfire smoke to the public as well as fire personnel. The program depends on four primary components: specially trained personnel called Air Resource Advisors (ARAs), air quality monitoring, smoke concentration and dispersion modeling, and coordination and cooperation with agency partners. ARAs are technical specialists that are trained to work on smoke issues from wildland fire. They are deployed nationwide during large smoke events. ARAs are dispatched to an incident to assist with understanding and predicting smoke impacts on the public and fire personnel. They analyze, summarize, and communicate these impacts to incident teams, air quality regulators, and the public.[19] South Coast AQMD also issues air quality alerts, advisories, and forecasts by email through AirAlerts.org. South Coast AQMD also maintains an interactive online map to view current air quality conditions in the region.[20] Furthermore, activities that result from compliance with the proposed project would be subject to project-level review, including review of wildfire impacts under CEQA, as applicable. Therefore, there would be no impacts from pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire.

XVIII. c) No Impact. PR 2305 would not add new structures that might need to be supported by expanded infrastructure and associated maintenance, including new roads, fuel breaks, emergency water sources, power lines and other utilities. However, as indicated in section XVIII b. above, structures pursuant to the implementation of the proposed project that are developed in FHSZs are required to comply with regulations governing development in such zones, including CBC Chapter 7A, CFC Chapter 49, and California Public Resources Code Sections 4291 et seq. Any new powerlines would be required to comply with fire safety regulations pertaining to electric utilities including California Code of Regulations Title 14 Sections 1250 et seq.; and CPUC fire safety regulations. Furthermore, activities that result from compliance with the proposed project would be subject to project-level review, including review of wildfire impacts under CEQA, as applicable. Therefore, there would be no impacts.

XVIII. d) No Impact. Catastrophic wildfire can create favorable conditions for other hazards, such as flooding and landslides during the rainy season. However, the installation of ZE charging/refueling infrastructure and solar panels at applicable existing warehouses would have a nominal footprint and would not expose people or structure to post-fire hazards such as flooding, landslides, slope instability, or drainage changes. Installation of ZE charging/refueling infrastructure near warehouses would also have a nominal footprint and would not result in any post-fire impacts.

XVIII. e) Less Than Significant Impact. As discussed in section XVIII b above, any new developed or redevelopment in FHSZs are required to comply with regulations governing development in such zones, including CBC Chapter 7A, CFC Chapter 49, and California Public Resources Code Sections 4291 et seq. Established regulations and policies, will reduce wildfire hazards to less than significant.

[19] US Forest Service accessed August 20, 2018, Wildland Fire Air Quality Response Program. United States Department of Agriculture, https://www.wildlandfiresmoke.net/

[20] South Coast Air Quality Management District accessed August 20, 2018, Wildfire Smoke & Ash Health & Safety Tips, https://www.aqmd.gov/wildfire-health-info-smoke-tips.

Conclusion

Based upon these considerations, significant adverse wildfire impacts are not expected from implementing the proposed project. Since no significant wildfire impacts were identified, no mitigation measures are necessary or required and therefore will not be further discussed in the Draft EA.

		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIX.	**MANDATORY FINDINGS OF SIGNIFICANCE.**				
a)	Does the project have the potential to substantially 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, substantially 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?	☐	☐	☑	☐
b)	Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)	☑	☐	☐	☐
c)	Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?	☑	☐	☐	☐

Discussion

XIX. a) Less than Significant Impact. Activities resulting from compliance with the proposed project could occur at or near existing warehouses. Such project sites would not typically include appropriate habitat for fish or wildlife species or rare, endangered species of plant or animal. Cultural resources are also limited at such sites. Furthermore, individual development projects would be subject to project-level review under CEQA, as applicable. Thus, impacts to biological and cultural resources would be less than significant.

XIX. b) Potentially Significant Impact. Implementation of PR 2305 could have cumulative considerable impacts associated with air quality and greenhouse gases, energy, and transportation. These impacts could be potentially significant and will be studied further in the Draft EA.

XIX. c) Potentially Significant Impact. It is possible that new warehouses may be developed outside of the South Coast Air Basin to avoid implementing compliance with PR 2305. This could result in longer truck trips within the South Coast AQMD's jurisdiction which could result in additional operational emissions. These additional emissions might cause potential health impacts to sensitive receptors and will be addressed in further detail in the Draft EA.

Conclusion

As previously discussed in environmental topics I through XIX, the proposed project has impacts with the potential to cause significant adverse environmental effects. These impacts will be discussed in further detail in the Draft EA.

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APPENDICES

Appendix A: Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program

Appendix B: Proposed Rule 316 – Fees for Regulation XXIII

APPENDIX A

Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions And Investments To Reduce Emissions (WAIRE) Program

PROPOSED RULE 2305 WAREHOUSE INDIRECT SOURCE RULE – WAREHOUSE ACTIONS AND INVESTMENTS TO REDUCE EMISSIONS (WAIRE) PROGRAM

(a) Purpose

The purpose of this rule is to reduce local and regional emissions of nitrogen oxides and particulate matter, and to facilitate local and regional emission reductions associated with warehouses and the mobile sources attracted to warehouses in order to assist in meeting state and federal air quality standards for ozone and fine particulate matter.

(b) Applicability

This rule applies to owners and operators of warehouses located in the South Coast Air Quality Management District (South Coast AQMD) jurisdiction with greater than or equal to 100,000 square feet of indoor floor space in a single building ~~dedicated to~~that may be used for warehousinge activities by one or more warehouse operators.

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

(1) ALTERNATIVE ENERGY GENERATION EQUIPMENT means systems at a warehouse facility capable of generating electricity without the use of diesel or gasoline.

(2) ALTERNATIVE-FUELED VEHICLE means a vehicle or engine ~~that is~~which is not powered by gasoline or diesel fuel.

(3) ALTERNATIVE FUELING STATION means fuel dispensing equipment for alternative-fueled vehicles.

(4) CLASS 2B TRUCK means a truck with a Gross Vehicle Weight Rating (GVWR) of 8,501 to 10,000 pounds.

(5) CLASS 3 TRUCK means a truck with a GVWR of 10,001 to 14,000 pounds.

~~(4)~~(6) CLASS 4 TRUCK means a truck with a GVWR ~~Gross Vehicle Weight Rating (GVWR)~~ of 14,001 to 16,000 pounds.

~~(5)~~(7) CLASS 5 TRUCK means a truck with a GVWR of 16,001 to 19,500 pounds.

~~(6)~~(8) CLASS 6 TRUCK means a truck with a GVWR of 19,501 to 26,000 pounds.

~~(7)~~(9) CLASS 7 TRUCK means a truck with a GVWR of 26,001 to 33,000 pounds.

~~(8)~~(10) CLASS 8 TRUCK means a truck with a GVWR of greater than 33,001 pounds.

~~(9)(1) ELECTRIC CHARGER means an electric charging station for vehicles. Each unique plug that can charge an individual vehicle at any time, regardless of whether other electric chargers/plugs are operating, counts as one electric charger.~~

~~(10)~~(11) COLD STORAGE FACILITY means a distribution facility that temporarily stores perishable goods ~~that are~~which are required to be either refrigerated or frozen.

(12) DIESEL PARTICULATE MATTER (DPM) means the particles found in the exhaust of diesel fueled internal combustion engines. DPM is a component of fine particulate matter.

~~(11)~~(13) DWELL TIME means the number of hours per day ~~that~~ a truck or tractor is parked at a warehouse.

(14) ELECTRIC CHARGER means an electric charging station for vehicles. Each unique plug that can charge an individual vehicle at any time, regardless of whether other electric chargers/plugs are operating, counts as one electric charger. This equipment is also referred to as Electric Vehicle Supply Equipment (EVSE).

(15) FUEL TYPE means the fuel used to power a vehicle, such as electricity, hydrogen, natural gas, gasoline, or diesel fuel.

~~(12)~~(16) LEVEL 2 CHARGER means electric vehicle supply equipment (EVSE) that can deliver an electric charge up to a rate of 19.2 kilowatts (kW).

~~(13)~~(17) LEVEL 3 CHARGER means EVSE that can deliver an electric charge between 19.2 and 50 kW.

~~(14)~~(18) LEVEL 4 CHARGER means an EVSE that can deliver an electric charge between 51 and 150kW.

~~(15)~~(19) LEVEL 5 CHARGER means an EVSE that can deliver an electric charge ~~above~~ greater than 151 kW.

~~(16)~~(20) NEAR-ZERO EMISSIONS (NZE) TRUCKS means trucks or tractors with engines ~~that~~ meeting the California Air Resources Board's

lowest non-zero optional NOx standard as defined in the California Code of Regulations Title 13, section 1956.8.

(21) NITROGEN OXIDES (NOx) mean the sum of nitric oxides and nitrogen dioxides emitted, calculated as nitrogen dioxide.

~~(17)~~(22) PARENT COMPANY means a company or other entity that owns a controlling interest in a company directly or through one or more subsidiaries.

~~(18)~~(23) STRAIGHT TRUCK means a truck that carries cargo on the same chassis as the power unit and cab.

~~(19)~~(24) TRACTOR means a heavy-~~-~~duty Class 7 or 8 truck designed to pull a semi-trailer.

~~(20)~~(25) TRUCK CLASS means the size of a truck based on its GVWR.

(26) TRUCK TRIP means the one-way trip ~~that~~ a truck or tractor makes to or from a site with at least one warehouse to deliver or pick up goods stored at that warehouse~~,~~ for later distribution to other locations. A truck or tractor entering a warehouse site and then leaving that site counts as two trips.

~~(21)~~(27) VEHICLE MILES TRAVELED (VMT) means total annual miles of vehicle travel.

(28) WAREHOUSE means a building ~~facility consisting of one or more buildings~~ that stores cargo, goods, or products on a short- or ~~long~~ long-term basis for later distribution to businesses and/or retail customers.

~~(22)~~(29) WAREHOUSE FACILITY means a property that includes a warehouse as well as accessory uses such as parking areas and driving lanes for trucks, trailers, or passenger vehicles; entry and exit points for vehicles; accessory maintenance or security buildings; and fueling or charging infrastructure for vehicles.

~~(23)~~(1) ~~WAREHOUSING ACTIVITIES means operations at a warehouse related to the storage and distribution of goods, including but not limited to the storage, labelling, sorting, consolidation and deconsolidation of products into different size packages. Supporting office administration, maintenance, or manufacturing areas within the same warehouse building, that are physically separate from the warehouse area, are not considered warehousing activities for the purpose of this rule.~~

~~(24)~~(30) WAREHOUSE OPERATOR means the ~~business~~ entity who conducts day-to-day operations at a warehouse, either with its employees or through the contracting out of services for all or part of the warehouse

operations. A warehouse operator can be, but is not necessarily the warehouse owner.

(~~25~~)(31) WAREHOUSE OWNER means the legal, beneficial, and/or equitable owner or owners of a warehouse facility~~business entity or entities who hold the deed to a warehouse~~.

(~~26~~)(32) WAREHOUSE SIZE means the indoor floor space, measured in square feet, of an individual warehouse building ~~dedicated to warehousing~~ that may be used for warehousing activities.

(33) WAREHOUSING ACTIVITIES means operations at a warehouse related to the storage and distribution of goods, including but not limited to the storage, labelling, sorting, consolidation and deconsolidation of products into different size packages. Supporting office administration, maintenance, or manufacturing areas within the same warehouse building, that are physically separate from the warehouse area, are not considered warehousing activities for the purpose of this rule.

(~~27~~)(34) YARD TRUCK means a mobile utility vehicle, that operates as either ~~with~~ an on- or off-road vehicle ~~engine installed~~, used to carry cargo containers with or without a chassis; also commonly known as a terminal tractor, utility tractor rig ~~(UTR)~~, yard tractor, yard goat, or yard hostler.~~, yard hustler, or prime mover.~~means a tractor that moves trailers short distances at a warehouse, or to a nearby warehouse.

(~~28~~)(35) ZERO-EMISSION (ZE) TRUCK has the same meaning as "zero emission vehicle" defined in California Code of Regulations, Title 13, Section 1963.

(d) Requirements

(1) Warehouse Points Compliance Obligation

Beginning with the Initial Reporting Date in Table ~~2~~1, a warehouse operator shall earn the applicable WAIRE Points, for the prior 12-month period from July 1 through June 30, in the amount identified in Table ~~1~~ 2 as specified in subparagraph (d)(1)(A). WAIRE Points shall be earned for actions and investments completed during the compliance period while the warehouse operator occupied the warehouse, except as specified in paragraph (d)(~~3~~6). ~~Subdivision (d) only applies to~~ Only warehouse operators in buildings with greater than or equal to 100,000 square feet of floor area ~~dedicated to warehousing~~ that may be used for warehousing activities and who operate

at least 50,000 square feet of the warehouse are required to earn WAIRE Points.

(A) The number of WAIRE Points that a warehouse operator must earn in the applicable compliance period shall be calculated according to the following equation.

$$WPCO = WATTs \times Stringency \times \begin{pmatrix} Annual \\ Variable \end{pmatrix}$$

Where:

WPCO = WAIRE Points Compliance Obligation, or the number of WAIRE Points that a warehouse operator must earn every year

WATTs = Weighted Annual Truck Trips as calculated in subparagraph (d)(1)(B) or (d)(1)(C), as applicable

Stringency = XXX

Annual Variable = As specified in Table 2~~1~~

(B) The Weighted Annual Truck Trips (WATTs) at a warehouse include all actual truck trips that occurred at a warehouse while the warehouse operator was responsible for operations during the 12-month compliance period. If a warehouse is occupied by more than one warehouse operator, the WATTs are calculated only for truck trips to or from that operator. Actual truck trip data to a warehouse shall be collected by the warehouse operator and WATTs shall be calculated according to the following equation and as specified in the WAIRE Program Implementation Guidelines.

WATTs = [Class ~~4~~ 2b to 7 truck trips] + [2.5 × Class 8 truck trips]

Where:

Class ~~4~~ 2b to 7 truck trips = All trucks or tractors ~~that~~ entering~~ed~~ or exiting~~ed~~ a warehouse truck gate(s) or driveway(s) that are truck ~~c~~Class 2b, 3, 4, 5, 6, or 7. If truck class

information is not available, Class ~~4~~ 2b to 7 trucks are all straight trucks that entered or exited a warehouse truck gate(s) or driveway(s).

Class 8 truck trips = All ~~c~~Class 8 trucks or tractors ~~that~~ entere~~d~~ing or exiting a warehouse truck gate(s) or driveway(s). If truck class information is not available, Class 8 trucks are all tractors that entered or exited a warehouse truck gate(s) or driveway(s).

(C) If a warehouse operator does not have information about the number of truck trips at a warehouse due to a force majeure event such as a destruction of records from a fire, the WATTs shall be calculated according to the following equation.

WATTs = Days per Year × Warehouse Size × WTTR

Where:

Days per Year = The number of days that the warehouse operator has operational control of the warehouse during the 12-month compliance period

Warehouse Size = Warehouse size in thousand square feet (tsf), as defined in subdivision (c)

WTTR = Weighted Truck Trip Rate, where:
Warehouses ≥200,000 = 0.95 trips/tsf/day
Warehouses ≥100,000 = 0.67 trips/tsf/day
Cold Storage Warehouses = 2.17 trips/tsf/day

(2) Earning WAIRE Points

WAIRE Points shall only be earned through completing actions in the WAIRE Menu in Table 3 and as described in (d)(3), or by completing actions in an approved Custom WAIRE Plan as described in (d)(4), or by choosing to pay a mitigation fee as described in (d)(5) in lieu of completing actions in the WAIRE Menu or in an approved Custom WAIRE Plan.

~~(2)~~(3) ~~Determining the Number of~~ WAIRE Points Earned Using the WAIRE Menu

~~All WAIRE Points a~~A warehouse operator may earn~~s~~ WAIRE Points ~~shall be determined~~ for actions completed in the WAIRE Menu in Table 3 and based on the point values specified therein~~. the WAIRE Menu in Table 3.~~

(A) WAIRE Points may not be earned from WAIRE Menu items in Table 3 if those same actions or investments are required by ~~a~~ separate the United States Environmental Protection Agency (U.S. EPA), the California Air Resources Board (CARB), or South Coast AQMD rules and regulations during the compliance year in paragraph (d)(1). Actions or investments that go beyond U.S. EPA, CARB, or South Coast AQMD rules and regulations can earn WAIRE Points.

~~(3)~~(4) WAIRE Points Earned Using a Custom WAIRE Plan

(A) Warehouse owners or operators may apply to earn WAIRE Points through a customized plan for their facility. The Custom WAIRE Plan application shall follow the WAIRE Implementation Guidelines and the criteria below.

(i) Custom WAIRE Plan applications must demonstrate how the proposed action will earn WAIRE Points based on the incremental cost of the action, the NOx emission reductions from the action, and the DPM emission reductions from the action, relative to baseline conditions if the warehouse operator had not completed the action in that compliance year.

(A) The methodology to determine the total WAIRE Points for an action in a Custom WAIRE Plan application shall be consistent with methods in the WAIRE Program Implementation Guidelines.

(ii) Any WAIRE Points for emission reductions must be quantifiable, verifiable, and real as determined by the Executive Officer and consistent with the WAIRE Implementation Guidelines.

(iii) Custom WAIRE Plan applications must include the elements described below:

(A) A description how the proposed actions will achieve quantifiable, verifiable, and real NOx and DPM emission reductions as quickly as feasible, but no later than three years after plan approval; and

(B) A quantification of expected NOx and/or DPM emission reductions from the proposed project within the South Coast AQMD and within three miles of the warehouse; and

(C) A description of the method to be used to verify that the proposed project will achieve NOx and/or DPM emission reductions; and

(D) A schedule of key milestones showing the increments of progress to complete the proposed project; and

(E) A description of the location and a map of where the proposed project will occur; and

(F) Any expected permits or approvals required by other private parties, or South Coast AQMD, or other federal, state, or local government agencies to implement the proposed plan.

(iv) Any proposed plan that relies on VMT reduction must demonstrate that these reductions are surplus to what is included in the most recent approved Regional Transportation Plan (RTP) and Air Quality Management Plan (AQMP).

(B) Review of Custom Option Plan Applications

(i) A Custom WAIRE Plan application must be submitted at least 9 months before an Annual WAIRE Report is due for the year in which the Plan will earn Points.

(ii) Within 30 days of receipt of the Custom Option Plan, the Executive Officer will conduct an initial review of the Custom Option Plan and confirm receipt.

(iii) The Executive Officer shall approve or reject the Custom Option Plan within 3 months of submittal. If no formal approval or rejection is received by the applicant, the application is presumed rejected unless otherwise provided

for by the Executive Officer in writing. Approval or rejection will be based on whether:

(A) The Custom Option Plan was prepared consistent with paragraph (d)(4)(A) and in accordance with the WAIRE Program Implementation Guidelines; and

(A) The information provided was complete and accurate.

(iv) Within 30 days of the date of notification by the Executive Officer of disapproval of a Custom WAIRE Plan application, an owner or operator shall revise and resubmit a Custom Plan Proposal that corrects all identified deficiencies. If the Executive Officer does not approve the subsequent revised plan within 30 days of resubmission, then no WAIRE Points may be earned from the Custom WAIRE Plan in the current compliance period.

(v) A Custom WAIRE Plan application shall be made available, by the Executive Officer, for public review no less than thirty (30) days prior to approval.

(C) For any Plan that requires implementation beyond the subsequent Annual WAIRE Report, a progress report must be provided every six months after Plan approval. The progress report shall be consistent with the WAIRE Program Implementation Guidelines and include at a minimum, all of the following:

(i) The key milestones achieved and a schedule indicating dates for future increments of progress; and

(ii) Identification of any milestones that have been or will be achieved later than specified in the approved Custom Plan and the reason for achieving the milestones late. The progress report must describe how each late milestone will be achieved and when WAIRE Points are anticipated to be earned from that action.

(D) If the Executive Officer determines that a warehouse owner or operator is not making adequate progress to complete an approved Custom WAIRE Plan, then the Executive Officer may rescind approval of the plan 30 days after notifying the plan applicant of the proposed rescission. The notice to the plan applicant shall contain

a description of the identified deficiencies in the Custom WAIRE Plan implementation.

(i) If the owner or operator does not subsequently demonstrate to the Executive Officer's satisfaction that the deficiencies in implementing the plan have been corrected, then the Executive Officer will rescind approval of the Custom WAIRE Plan and notify the owners or operators of the rescission.

~~(A)~~(E) If the expected WAIRE Points from an approved Custom Plan are not earned during the applicable compliance period, the owner or operator shall be in violation of this rule unless the owner or operator demonstrates that they have met their Warehouse Points Compliance Obligation by the date that they submit their Annual WAIRE Report using WAIRE Points earned through requirements in paragraphs (d)(3) or (d)(5).

~~(4)~~(5) Mitigation Fee

In lieu of earning the required number of WAIRE Points in paragraph (d)(3) or (d)(4) ~~If~~ a warehouse operator ~~does not earn a sufficient number of WAIRE Points to~~ may choose to satisfy all or any remaining part of their WAIRE Points Compliance Obligation ~~in (d)(1), they shall pay~~ through payment of a mitigation fee ~~to make up the difference according to the schedule below.The mitigation fee rate shall be equal to~~ in the amount of $1,000~~XX~~ for each WAIRE Point.

~~(A) In any one compliance year, if a warehouse operator does not complete at least 50% of their WAIRE Points Compliance Obligation through the earning of WAIRE points from Table 3, the following year the mitigation fee rate shall be ten percent more than the dollar value per WAIRE Point that the warehouse operator paid in the previous year.~~

~~(5)~~(6) Transferring WAIRE Points

WAIRE Points are not transferable, except as specified below.

(A) Transferring WAIRE Points to a Different Warehouse

If a warehouse operator conducts warehousing activities at more than one warehouse, then WAIRE Points earned for one warehouse may be used at the other warehouse(s) under the operational control of that same warehouse operator. Only those points ~~that are~~ earned

in excess of a warehouse operator's WAIRE Points Compliance Obligation at that site may be transferred. Any WAIRE Points transferred to a different warehouse shall be discounted as ~~calculated using the values~~ specified in the WAIRE Menu in Table 3.

(B) Transferring WAIRE Points to a Different Compliance Year

If a warehouse operator earns more WAIRE Points than is required for its annual Warehouse Points Compliance Obligation, then it may use those remaining WAIRE Points at the same warehouse to satisfy its Warehouse Points Compliance Obligation in any of the following three years.

(i) WAIRE Points may not be transferred to a subsequent compliance year if the WAIRE Menu items used to earn WAIRE Points are required by ~~a~~ U.S. EPA, CARB, or South Coast AQMD rules and regulations in that subsequent year.

(ii) Owners or operators transferring WAIRE Points to a different compliance year shall demonstrate that any onsite improvements or equipment installations that were used to earn the WAIRE Points being transferred are still operational at that warehouse facility in the year that WAIRE Points are used.

~~(ii)~~(iii) WAIRE Points earned prior to a warehouse operator's first compliance year pursuant to paragraph (d)(1) may be banked and transferred up to three years after the warehouse operator's first compliance year. This early compliance must be documented in an Annual WAIRE Report immediately following the year in which the action or investment was completed.

(C) Transferring WAIRE Points Between a Warehouse Owner and a Warehouse Operator

A warehouse owner may earn WAIRE Points during a compliance period using the methods specified in paragraphs (d)(~~2~~3), (d)(4), or (d)(5) or may have WAIRE Points transferred to them from the warehouse operator at that site. The warehouse owner may transfer these WAIRE Points to any warehouse operator at the site where the WAIRE Points were earned within a three-year period after the

points were earned.

(7) Reporting

(A) Warehouse Operations Notification

Warehouse owners shall notify the South Coast AQMD in the manner specified in paragraph (e)(1) when any of the following conditions occur:

(i) Within 60 calendar days of rule adoption;

(ii) Within 14 calendar days after a new warehouse operator has the ability to use at least 50,000 square feet of a warehouse that has greater than or equal to 100,000 square feet used for warehousing activities;

(iii) Within 30 calendar days after a renovated warehouse has received a certificate of occupancy from the local land use agency such that the total warehouse space that may be used for warehousing activities has increased or decreased; or

(iv) Within three calendar days of a request from the Executive Officer.

(B) Initial Site Information Report

Warehouse operators shall submit an Initial Site Information Report in the manner specified in paragraph (e)(2) no later than January 15 of the year that they must submit their first annual WAIRE Report for that warehouse facility, or within 30 calendar days of a request by the Executive Officer.

~~(D)~~(C) Annual WAIRE Report

Warehouse operators shall submit an annual WAIRE Report in the manner specified in paragraph (e)(3)~~by the Executive Officer~~ no more than 30 calendar days after July 1, beginning with the Initial Reporting Date in Table 1~~2~~. The annual WAIRE Report, in accordance with the WAIRE Program Implementation Guidelines, shall include the information described in paragraph (e)(3) to demonstrate how the warehouse operator satisfied the requirement of paragraph (d)(1) in the preceding compliance period.

(D) If a warehouse operator vacates a warehouse prior to the Annual WAIRE Report submission date in subparagraph (d)(7)(c)~~June 30~~ in any year that they must satisfy an annual WAIRE Points

Compliance Obligation, then the Annual WAIRE Report shall be submitted to South Coast AQMD no later than the date that they vacate the warehouse.

(e) Reporting, Notification, and Recordkeeping Requirements

~~(1) Warehouse Operations Notification~~

~~The warehouse owner shall notify the South Coast AQMD within two months of rule passage and also no later than two weeks after any of the following conditions:~~

~~(A) A new warehouse operator has taken over operational control of a warehouse with more than 100,000 square feet dedicated to warehousing activities,~~

~~(B) A warehouse building has been modified and the total warehouse space dedicated to warehousing activities has been changed~~

~~(C) Upon request of the Executive Officer.~~

~~(2)~~(1) Warehouse Operations Notification

The notification required ~~in~~ pursuant to subparagraph (d)(7)(A)~~(e)(1)~~ shall be made in the manner specified by the Executive Officer and the WAIRE Program Implementation Guidelines. The notification shall include:

(A) The ~~business~~ legal name and contact information of the warehouse operator;

(B) The duration of the current lease term, if applicable;

(C) The warehouse size(s) and the square footage ~~dedicated to warehousing~~ that may be used for warehousing activities under the operational control of each of the current warehouse operator~~(s)~~s at a site; and

(D) The ~~business name~~last known legal name and contact information of the previous warehouse operator and the end date of the previous warehouse operator's warehousing activities at that site, if applicable.

~~(3) Initial Site Information Report~~

~~The warehouse operator shall submit an Initial Site Information Report by January 15 of the year that they must submit their first annual WAIRE Report for that facility, or within 30 days of a request by the Executive Officer. The Initial Site Information Report shall include information as specified in subparagraphs (A) through (G) below.~~

(2) Initial Site Information Report

The Initial Site Information Report required in subparagraph (d)(7)(B) shall be made in the manner specified by the Executive Officer and the WAIRE Implementation Guidelines, and shall include the following information:

(A) ~~The Initial Site Information Report shall include the w~~Warehouse size, and the square footage that may be used for ~~dedicated to~~ warehousing activities.

(i) If the warehouse building has less than 100,000 square feet ~~dedicated to~~that may be used for warehousing activities, then no additional information ~~in~~ pursuant to ~~–~~ subparagraphs (e)(2)(B) through (e)(2)(G) ~~below~~ is required.

~~(i)~~(ii) Any operator leasing less than 50,000 square feet of warehouse space that may be used for warehousing activities is not required to report additional information pursuant to subparagraphs (e)(2)(B) through (e)(2)(G), unless the same parent company owns or controls multiple operators in the same building who collectively use greater than or equal to 50,000 square feet of warehousing space for warehousing activity.

(B) ~~The Initial Site Information Report shall include~~ Actual truck trip data, including:

(i) Number of truck trips in the previous 12-~~-~~month period for the warehouse operator at that warehouse;

(ii) Number of truck trips anticipated for the next applicable 12-month compliance period in subdivision (d); and

(iii) For the purposes of this subparagraph, truck trips shall be reported in two categories. The first category shall include all trucks or tractors using a facility's truck gate or driveway that are truck ~~c~~Class ~~4~~ 2b through truck ~~c~~Class 7, or straight trucks if truck class information is not available. The second category shall include all trucks and tractors that are truck ~~c~~Class 8, or all tractors if truck class information is not available.

(C) If the warehouse operator owns or leases on-road trucks or tractors that serve that warehouse, the Initial Site Information Report shall include fleet data including:

(i) Number of trucks and tractors in the fleet serving that warehouse, by truck class, and fuel type;

(ii) Total VMT by truck class and fuel type; and

(iii) Typical dwell time at the facility by truck class; and

~~(iii)~~(iv) Information about which trucks or tractors are owned or leased.

(D) If the warehouse has an alternative fueling station(s) or electric charging station(s) located onsite, the Initial Site Information Report shall include:

(i) Number of electric chargers/alternative fueling stations installed. The report must include the level for each electric charging station. For alternative-fueling stations, the report must include the fuel type, maximum fuel dispensing rate, the maximum amount of fuel that can be dispensed daily, and the pressure of the fueling system, if applicable~~.~~;

(ii) Types of vehicles served;

(iii) Total fuel dispensed and/or charging provided in the previous 12-~~-~~month period.

(E) If the warehouse operator has yard trucks that are ~~based~~ used at that ~~site~~ warehouse facility, the Initial Site Information Report shall include:

(i) Number of yard trucks, and indicate which of these are registered as motor vehicles under Vehicle Code section 4000, et seq. ~~by onroad and offroad classification~~;

(ii) Fuel type and engine size; and

(iii) Total annual hours of operation of all yard trucks.

(F) If the warehouse has onsite alternative energy generation equipment and/or onsite energy storage equipment, the Initial Site Information Report shall include:

(i) The type and rated capacity of the alternative energy generation system in kilowatts and kilowatt-~~-~~hours per year, and/or rated capacity of the energy storage system in kilowatt-hours, as applicable.

(ii) The total energy generation and/or usage of the energy storage system in kilowatt hours expected during the next applicable 12-~~-~~month compliance period in subdivision (d).

(G) The Initial Site Information Report shall include whether the warehouse operator anticipates earning WAIRE Points from the WAIRE Menu, from a Custom WAIRE Plan, or by choosing to pay a mitigation fee ~~the anticipated categories from the WAIRE Menu that the warehouse operator expects to use~~ for the next applicable 12-month compliance period in subdivision (d). If the warehouse operator anticipates using the WAIRE Menu, the anticipated actions in the WAIRE Menu shall be reported. The actual WAIRE Menu items used for compliance ~~in the next applicable 12-month compliance period~~ can be from ~~those~~ the methods reported in the Initial Site Information Report, or from any other category in the WAIRE Menu, or any other method to earn WAIRE Points in paragraph (d)(2).

~~(4)~~(3) Annual WAIRE Report

~~Annual WAIRE Reports required under subdivision (d) shall contain information as specified in subparagraphs (e)(4)(A) and (e)(4)(B) below.~~ Annual WAIRE Reports required pursuant to subparagraph (d)(7)(C) or (D) shall be made in the manner specified by the Executive Officer and as specified in the WAIRE Implementation Guidelines, and shall include the following information:~~.~~

(A) The Annual WAIRE Report shall include truck trip data, including:

(i) Number of actual truck trips during the compliance period in described in paragraph (d)(1); and

(ii) Truck trips shall be reported in the same manner as described in subparagraph (e)(~~3~~2)(B)(iii)

(B) For every WAIRE Menu item used to earn WAIRE Points, the WAIRE Annual Report shall contain ~~the~~ information about the Reporting Metric specified in Table 3.

~~(B)~~(C) Every Annual WAIRE Report shall include current contact information for the warehouse operator.

(4) Recordkeeping

Records which document the accuracy and validity of all information submitted to the South Coast AQMD as required by this ~~R~~rule shall be kept by the warehouse operator or owner as applicable, for a minimum of seven years from the reporting deadline, and made available upon request during

normal business hours.

(f) WAIRE Implementation Guidelines

The Executive Officer shall periodically publish guidelines for implementing the WAIRE Program.

(g) Exemptions

~~(5)~~(1) Operators In Warehouses That Have Less Than 50,000 Square Feet That They May Use For Warehousing Activities

Warehouse operators who can only use less than 50,000 square feet of a warehouse for warehousing activities due to terms of their lease are not subject to the requirements in subdivision (d)(1) unless the same parent company owns or controls multiple operators in the same building who collectively use more than 50,000 square feet of space for warehousing activity.

~~(6)~~(2) Unforeseen Circumstances

In instances where investments or actions completed by an owner or operator perform at a level significantly lower than anticipated due to unforeseen circumstances beyond the control of the warehouse operator and such that the anticipated WAIRE Points for that action can not be fully earned, the owner or operator may apply for a partial or complete exemption to the Executive Officer following procedures in the WAIRE Program Implementation Guidelines. The application must specify what portion of the WPCO determined by subparagraph (d)(1) that the malfunctioning equipment would have satisfied and why WAIRE Points can not be earned from other actions in subparagraph (d)(2).

~~(f)~~(h) Severability

If any provision of this rule is held by judicial order to be invalid, ~~or invalid~~ or inapplicable to any person or circumstance, such order shall not affect the validity of the remainder of this rule, or the validity or applicability of such provision to other persons or circumstances. In the event any of the exceptions to this rule are held by judicial order to be invalid, the persons or circumstances covered by the exception shall instead be required to comply with the remainder of this rule.

Table 1 – Initial Requirement Date

Warehouse Size (sq. ft.)	Initial Reporting Date
> 250,000	August 2, 2022
> 150,000	August 1, 2023
> 100,000	July 31, 2024

Table ~~1~~ 2 – Annual Variable

WAIRE Report Year*	Annual Variable
First Year	XX
Subsequent Years	XX
Etc.	XX
	XX
	XX

* This is the year that a warehouse submitted its Annual WAIRE Report.

~~**Table 2 – Initial Requirement Date**~~

~~Warehouse Size (sq. ft.)~~	~~Initial Reporting Date~~
~~≥ 250,000~~	~~July 30, 2021~~
~~≥ 150,000~~	~~August 2, 2022~~
~~≥ 100,000~~	~~August 1, 2023~~

Table 3 WAIRE Menu

Action/Investment	Action/Investment Details	Reporting Metric	Annualized Metric	WAIRE Points per Annualized Metric	Discounted WAIRE Points Subparagraph (d)(6)(A)
Acquire ZE/NZE Trucks in Warehouse Operator Fleet	ZE Class 8	Number of trucks	One truck acquired	126	126
	ZE Class 4-7			68	68
	ZE Class 2b-3			14	14
	NZE Class 8			55	55
	NZE Class 4-7			26	26
ZE/NZE Truck Visits	ZE Class 8	Number of visits	365 truck visits	51	33
	ZE Class 4-7			12	9
	ZE Class 2b-3			9	6
	NZE Class 8			42	24
	NZE Class 4-7			12	9
Acquire ZE Yard Truck		Number of yard trucks	One yard truck acquired	177	177
Use ZE Yard Truck		Hours of use	1,000 hours	291	51
Install Onsite ZE Charging or Fueling Infrastructure	Level 5 EVSE Purchase	Number of EVSE purchased	One EVSE purchased	118	118
	Level 4 EVSE Purchase			51	51
	Level 3 EVSE Purchase			26	26
	Level 2 EVSE Purchase			5	5
	TRU Plug EVSE Purchase			3	3
	Begin construction on Level 3, 4, or 5 charger project	First day of construction	One construction project	9	9
	Begin construction on Level 2 charger project			9	9
	Begin construction on TRU Plug project			5	5
	Finalize Level 3, 4, or 5 charger project	The latter of final permit sign off or charger energization	One construction project	59	59
	Finalize Level 2 charger project			9	9
	Finalize TRU Plug project			7	7
	Hydrogen (H_2) Station	Daily capacity of station in kilograms (kg)	One 700 kg/day station construction project	1,680	1,680
Use Onsite ZE Charging or Fueling Infrastructure	Vehicle Charging	Kilowatt-hours (kWh) of dispensed electricity	165,000 kWh	42	24
	TRU Charging		10,658 kWh	10	3
	H_2 Station Usage	Kg of dispensed H_2	6,152 kg	43	25
Install Onsite Solar Panels	Rooftop	Size of system in kW	100 kW system	23	23
	Carport			27	27
Use Onsite Solar Panels		Energy production in kWh	165,000 kWh	2	2
Install High-Efficiency Filters or Filter Systems in Residences, Schools, Daycares, Hospitals, or Community Centers	Install Stand-Alone System	Number of systems installed	25 systems	55	55
	Install Filters	Number of filters installed	200 filters	51	51

APPENDIX B

Proposed Rule 316 – Fees for Regulation XXIII

PROPOSED RULE 316 FEES FOR REGULATION XXIII

(a) Purpose

California Health and Safety Code Section 40522.5 provides authority for the South Coast Air Quality Management District to adopt a fee schedule for areawide or indirect sources of emissions which are regulated, but for which permits are not issued, to recover the costs of programs related to these sources. The purpose of this rule is to recover the South Coast AQMD's cost of implementing the programs in Regulation XXIII.

(b) Applicability

This rule applies to owners and operators of facilities subject to Rule 2305 that submit an Annual WAIRE Report, a Custom WAIRE Plan application, an Initial Site Information Report, a Warehouse Operations Notification, or that pay a Mitigation Fee.

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

(1) ANNUAL WAIRE REPORT is the annual report submitted by a warehouse operator or owner demonstrating how they satisfied their Warehouse Points Compliance Obligation pursuant to Rule 2305 (d)(7)(C).

(2) CUSTOM WAIRE PLAN APPLICATION is the application submitted by a warehouse operator or owner that describes the customized method that they propose to use to satisfy their Warehouse Points Compliance Obligation pursuant to Rule 2305 (d)(4).

(3) INITIAL SITE INFORMATION REPORT is the report submitted by a warehouse operator pursuant to Rule 2305 (d)(7)(B).

(4) MITIGATION FEE is the fee paid by a warehouse operator or owner pursuant to Rule 2305 (d)(5).

(5) WAREHOUSE has the same definition as in Rule 2305 (c)(28).

(6) WAREHOUSE OPERATIONS NOTIFICATION is the report submitted by a warehouse owner with information about the warehouse building and any business leasing the warehouse pursuant to Rule 2305 (d)(7)(A).

(7) WAREHOUSE OPERATOR has the same definition as in Rule 2305 (c)(30).

(8) WAREHOUSE OWNER has the same definition as in Rule 2305 (c)(31).

(9) WAREHOUSING ACTIVITIES has the same definition as in Rule 2305 (c)(33).

(d) Annual WAIRE Fees

Warehouse operators and owners who submit reports or notifications required by Rule 2305 shall pay fees according to Table 1. These fees are due at the time that the applicable report or notification must be submitted pursuant to Rule 2305.

Table 1

Report or Notification	Fee
Annual WAIRE Report	$XXX.XX
Initial Site Information Report	$XXX.XX
Warehouse Operations Notification	$XXX.XX

(e) Custom WAIRE Plan Application Evaluation Fee

(1) Warehouse owners who submit a Rule 2305 Custom WAIRE Plan Application shall be charged fees on a time and materials basis. The amount charged shall be an amount equal to the total actual and reasonable time incurred by South Coast AQMD staff for evaluation of the application, assessed at the hourly rate or prorated portion of $XXX.XX. The initial fee shall be $XXX.XX for each plan, and shall be paid when the Custom WAIRE Plan application is submitted.

(2) The adjustment to plan application evaluation fees will be determined at the time a plan is approved or rejected and may include additional fees based upon actual review and work time billed. Notification of the amount due or refund will be provided to the applicant, and any additional fees due to the adjustment to plan evaluation fees will be billed following project completion.

(f) Mitigation Program Administrative Fee

Warehouse owners or operators who pay a mitigation fee pursuant to Rule 2305 (d)(5) shall pay an additional fee to cover the reasonable costs incurred by South Coast AQMD staff and/or its consultants to administer the Mitigation Program. This administrative fee shall be equal to five percent of the mitigation fee paid by the warehouse owner or operator, and shall be paid when the mitigation fee is paid.

(g) Payment Due Date

Payment of all applicable fees in subdivisions (d) and (e) shall be due in sixty (60) days from the date of personal service or sending by mail, electronic mail, or other electronic means, of the notification of the amount due. For the purpose of this paragraph, the fee payment will be

considered to be received by the South Coast AQMD if it is delivered, postmarked, or electronically paid on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be delivered, postmarked, or electronically paid on the business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been delivered, postmarked, or electronically paid on the expiration date.

(h) Late Fees

The monetary charge for those warehouse owners or operators who violate the fee due date specified in subdivisions (f) and (g) shall be added to the original amount of the fee due according to the schedule in Table 2.

Table 2

Less than 30 days	5% of original fee
30 days to 90 days	15% of original fee
91 days to 1 year	25% of original fee
More than 1 year	50% of original fee

(i) Exemptions

(1) Any warehouse owner who submits a Warehouse Operations Notification for a warehouse that has less than 100,000 square feet of floor area dedicated to warehousing activities that year is not required to pay fees described in subdivisions (d) through (h).

(2) Any warehouse operator who operates less than 50,000 square feet of a warehouse for warehousing activities and for which Rule 2305 (e)(2)(A)(ii) applies is not required to pay fees described in subdivision (d).