

If applicable, describe any of the project's areas of controversy known to the Lead Agency, including issues raised by agencies and the public.

Over the course of developing the proposed project, the predominant concerns expressed by representatives of public agencies, industry, and environmental groups either in public meetings or in written comments include the following areas: 1) inclusion of near zero emission (NZE) instead of only zero emission (ZE) technology and availability of Class 8 ZE trucks; 2) compliance options (e.g. transferring of WAIRE Points or mitigation fee); 3) effect on incentives; 4) existing and future regulations; 5) availability of charging infrastructure to support ZE trucks; 6) points for pre-existing WAIRE Menu items such as pre-existing solar or transport refrigerated unit (TRU) Plugs; and 7) warehouse relocation. See Section 1.4, Areas of Controversy, of the EA for a detailed discussion of specific topics raised for each area of controversy and South Coast AQMD staff's evaluation.

Provide a list of the responsible or trustee agencies for the project.

There are no responsible or trustee agencies for the proposed project.

Project Description

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., MERV 16 or greater filters or filter systems). 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 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 the Draft EA. Implementation of the proposed project is expected to result in long-term and permanent emission reductions of nitrogen oxides and particulate matter in the South Coast AQMD, 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 SIP. 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 analysis in the Draft EA indicates that significant and unavoidable adverse direct and/or indirect environmental impacts may occur for the following environmental topic areas: 1) aesthetics; 2) agriculture and forestry resources; 3) air quality and greenhouse gas emissions; 4) biological resources; 5) cultural resources; 6) energy; 7) geology and soils; 8) hazardous materials and solid and hazardous waste; 9) hydrology and water quality; 10) mineral resources; 11) noise; 12) transportation; and 13) utilities and service systems. 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.