

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

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<b>To:</b> Governor's Office of Planning and Research – State Clearinghouse 1400 Tenth St, Suite 222 Sacramento, CA 95814-5502	<b>From:</b> South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765
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**Project Title:** Proposed Rule 1147.2 – NOx Reductions from Metal Melting and Heating Furnaces

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**Project Location:** The proposed project is located within 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.

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**Description of Nature, Purpose, and Beneficiaries of Project:** Proposed Rule (PR) 1147.2 has been developed to reduce nitrogen oxide (NOx) emissions and limit carbon monoxide (CO) emissions from metal melting furnaces, metal heat treating furnaces, and metal heating and forging furnaces which require a South Coast AQMD permit at RECLAIM, former RECLAIM, and non-RECLAIM facilities. PR 1147.2 defines applicable equipment categories, updates NOx emission limits, and establishes a new CO limit. PR 1147.2 also includes compliance schedules with transition emission limits as well as provisions for monitoring, reporting, recordkeeping, and exemptions from specific provisions. To achieve the proposed NOx emission limits according to the compliance schedule set forth in PR 1147.2, the following physical changes are anticipated to require minimal construction activities, with most occurring in the first three years but lasting up to 35 years after PR 1147.2 is adopted: 1) approximately 62 burners may be replaced with Ultra Low NOx Burners (ULNBs) or Low NOx Burners (LNBs); 2) one new selective catalytic reduction (SCR) system with one new ammonia storage tank may be installed; and 3) two existing SCR systems may be modified. For all other units subject to PR 1147.2, the affected equipment would be either replaced or modified at the end of their useful life, or will qualify for an exemption from the emission limits if the NOx emissions are less than one pound per day. Upon full implementation, the proposed project is expected to achieve 0.5 ton per day of NOx emission reductions.

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<b>Public Agency Approving Project:</b> South Coast Air Quality Management District	<b>Agency Carrying Out Project:</b> South Coast Air Quality Management District
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**Exempt Status:** CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

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**Reasons why project is exempt:** South Coast AQMD, as Lead Agency, has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. The analysis of the anticipated physical changes that may occur if the proposed project is implemented combined with the timing of compliance distributed over several years indicates that the construction emissions are expected to be minimal, and over time, will be offset by corresponding NOx emission reductions as each unit is either modified or replaced and operating. Thus, it can be seen with certainty that implementing the proposed project would not cause a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption.

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**Date of Project Approval:** South Coast AQMD Governing Board Public Hearing: April 1, 2022

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**Date Received for Filing:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

  
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Planning, Rule Development, and Implementation