

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

To: Governor's Office of Planning and Research –
State Clearinghouse
1400 Tenth St, Suite 222
Sacramento, CA 95814-5502

From: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Project Title: Proposed Amended Rule 463 – Organic Liquid Storage, and Proposed Amended Rule 1178 – Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities

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.

Description of Nature, Purpose, and Beneficiaries of Project: Proposed Amended Rule (PAR) 463 and PAR 1178 contain changes to address deficiencies identified by the United States Environmental Protection Agency (U.S. EPA) in California Air Resources Board's (CARB's) Oil and Gas Methane rule which is designed to implement Reasonably Available Control Technology (RACT) requirements for sources subject to the U.S. EPA's 2016 Control Techniques Guidelines (2016 CTG) for the Oil and Gas Industry that include storage tanks, and which partially relies on Rules 463 and 1178 to achieve 95 percent emission control or greater for storage tanks subject to the 2016 CTG. PAR 463 and PAR 1178 address the RACT deficiency by modifying the applicability to include storage tanks subject to the 2016 CTG, which have a potential to emit six tons per year or greater of volatile organic compounds (VOC) and are used in crude oil production. Staff has identified certain storage tanks that are not subject to PAR 463 and PAR 1178, but in review, those storage tanks either already have adequate air pollution controls or lack the potential to emit six tons or more of VOC per year. This review did not reveal any storage tanks that would be impacted in terms of newly requiring construction due to changes to applicability. Accordingly, implementation of PAR 463 and PAR 1178 will expand the applicability of both rules to include storage tanks covered by the 2016 CTG but will not result in emission reductions or modifications to storage tanks subject to the rules.

Public Agency Approving Project:
South Coast Air Quality Management District

Agency Carrying Out Project:
South Coast Air Quality Management District

Exempt Status: CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

Reasons why project is exempt: South Coast AQMD, as Lead Agency, has reviewed the proposed project (PAR 463 and PAR 1178) pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Because PAR 463 and PAR 1178 contain minor revisions and clarifications to the applicability provisions in each rule and will not require physical modifications, 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.

Date of Project Approval: South Coast AQMD Governing Board Public Hearing: May 5, 2023

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PAR 463 and PAR 1178 Contact Person: Melissa Gamoning	Phone Number: (909) 396-3115	Email: mgamoning@aqmd.gov	Fax: (909) 396-3982
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Date Received for Filing: _____

Signature: _____

 May 5, 2023

Barbara Radlein
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Planning, Rule Development, and Implementation