



Altitude Business Center

ENERGY ANALYSIS

CITY OF CHINO

PREPARED BY:

Haseeb Qureshi, MES
hqureshi@urbanxroads.com
(949) 336-5987

Alyssa Tamase
atamase@urbanxroads.com
(949) 336-5988

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LIST OF ABBREVIATED TERMS

(1)	Reference
AQIA	Air Quality Impact Analysis
ARB	Air Resources Board
CalEEMod	California Emissions Estimator Model
CARB	California Air Resources Board
CEC	California Energy Commission
CPUC	California Public Utilities Commission
EVs	Electric Vehicles
EMFAC	Emissions Factor
FERC	Federal Energy Regulatory Commission
GPA	General Plan Amendment
GWh	Gigawatt Hour
HHD	Heavy-Heavy Duty
ISO	Independent Service Operator
ISTEA	Intermodal Surface Transportation Efficiency Act
ITE	Institute of Transportation Engineers
LHD	Light-Heavy Duty
MHD	Medium-Heavy Duty
MPG	Miles Per Gallon
MPO	Metropolitan Planning Organization
Project	Altitude Business Center
SCE	Southern California Edison
SoCalGas	Southern California Gas
SF	Square Feet
TEA-21	Transportation Equity Act for the 21 st Century
VMT	Vehicle Miles Traveled

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EXECUTIVE SUMMARY

For new development such as that proposed by the Altitude Business Center, compliance with California Building Standards Code Title 24 energy efficiency requirements (CalGreen), combined with the mitigation measures that are recommended by the Altitude Business Center Air Quality Impact Analysis, Greenhouse Gas Analysis, and Health Risk Assessment, are considered demonstrable evidence of efficient use of energy. As discussed below, the Project would provide for, and promote, energy efficiencies beyond those required under other applicable federal and State of California standards and regulations, and in so doing would meet or exceed all California Building Standards Code Title 24 standards. Moreover, energy consumed by the Project's operation is calculated to be comparable to, or less than, energy consumed by other industrial warehouse uses of similar scale and intensity that are constructed and operating in California. On this basis, the Project would not result in the inefficient, wasteful, or unnecessary consumption of energy. Further, the Project would not cause or result in the need for additional energy producing facilities or energy delivery systems.

1 INTRODUCTION

This report presents the results of the air energy analysis prepared by Urban Crossroads, Inc., for the proposed Altitude Business Center (referred to as “Project”). The purpose of this report is to ensure that energy implication is considered by the City of Chino, as the lead agency, and to quantify anticipated energy usage associated with construction and operation of the proposed Project, determine if the usage amounts are efficient, typical, or wasteful for the land use type, and to emphasize avoiding or reducing inefficient, wasteful, and unnecessary consumption of energy.

1.1 SITE LOCATION

The proposed Altitude Business Center site is located between Kimball Avenue and Bickmore Avenue on either side of the future Mayhew Avenue, in the City of Chino, as shown on Exhibit 1-A. State Route 71 (SR-71) Freeway is located approximately two miles west of the Project site.

1.2 PROJECT DESCRIPTION

Exhibit 1-B illustrates the preliminary Project site plan. As indicated, the total development is proposed to consist of up to 1,313,000 sf of business center use, specifically with the following uses:

- 715,000 sf of warehousing use within 4 buildings (Buildings 3, 4, 5, and 6). Warehouse use has been utilized for a portion of the buildings that are proposed to include dock doors.
- 255,000 sf of general light industrial use within 3 buildings (Buildings 1, 2, N, and O). General Light Industrial use has been utilized for remaining buildings that are proposed to include dock doors.
- 233,000 sf of business park use within 14 buildings (Buildings 7A, 7B, 8, 9, and A through L). The business park land use has been utilized for all the remaining smaller buildings without dock doors.
- 110,000 sf of self-storage use within 1 building (Building 2).

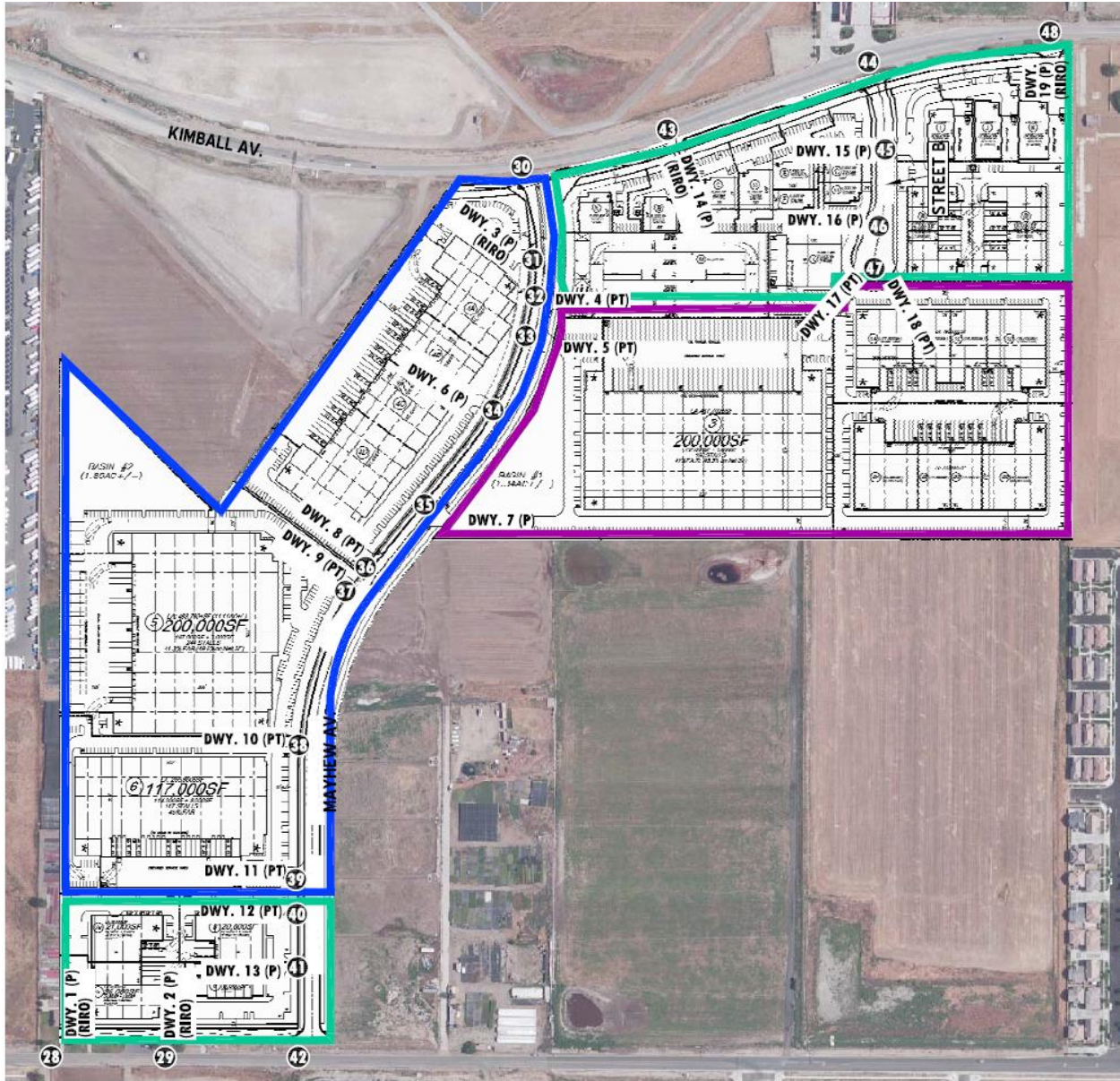
The Project is planned to be completed in 3 phases, as illustrated in Exhibit 1-1:

- Phase 1 (2018): Buildings 4, 5, and 6 – 515,000 sf Warehouse use
- Phase 2 (2019): Buildings 1, 2, and 3 – 194,000 sf of General Light Industrial use and 200,000 sf Warehouse use
- Phase 3 (2020): Buildings M, N, O, 7A, 7B, 8, 9, and A through L – 61,000 sf General Light Industrial use, 233,000 sf Business Park use, and 110,000 sf of Self-Storage use

EXHIBIT 1-A: LOCATION MAP



EXHIBIT 1-B: SITE PLAN



LEGEND:

- | | | | |
|------|----------------------------------|---|------------------|
| RIRO | ▪ RIGHT-IN/RIGHT-OUT ONLY ACCESS | ■ | ▪ PHASE 1 (2018) |
| P | ▪ PASSENGER CARS ONLY | ■ | ▪ PHASE 2 (2019) |
| T | ▪ TRUCKS ONLY | ■ | ▪ PHASE 3 (2020) |
| PT | ▪ PASSENGER CARS AND TRUCKS | | |



NOTE: UNLESS NOTED, ALL DRIVEWAYS ARE ASSUMED TO BE FULL ACCESS.

As part of the Project's design, all on-site outdoor cargo handling equipment (CHE) (including yard trucks, hostlers, yard goats, pallet jacks, forklifts, and other on-site equipment) will be powered by electric or non-diesel engines.

1.3 CONSTRUCTION-SOURCE AIR POLLUTANT EMISSIONS MITIGATION MEASURES

1.3.1 MONITORING OF AND COMPLIANCE WITH STANDARD REGULATORY REQUIREMENTS/BEST AVAILABLE CONTROL MEASURES (BACMs)

SCAQMD Rules that are currently applicable during construction activity for this Project include but are not limited to: Rule 1113 (Architectural Coatings) (1); Rule 431.2 (Low Sulfur Fuel) (2); Rule 403 (Fugitive Dust) (3); and Rule 1186 / 1186.1 (Street Sweepers) (4). In order to facilitate monitoring and compliance with SCAQMD Rule 403 (Fugitive Dust) and Rule 1113 (Architectural Coatings) applicable provisions of these Rules are restated at MM AQ-1 and MM AQ-2.

BACM AQ-1

- The following measures shall be incorporated into Project plans and specifications as implementation of Rule 403.
- All clearing, grading, earth-moving, or excavation activities shall cease when winds exceed 25 mph per SCAQMD guidelines in order to limit fugitive dust emissions.
- The contractor shall ensure that all disturbed unpaved roads and disturbed areas within the Project are watered, with complete coverage of disturbed areas, at least three (3) times daily during dry weather; preferably in the mid-morning, afternoon, and after work is done for the day.
- The contractor shall ensure that traffic speeds on unpaved roads and Project site areas are reduced to 15 miles per hour or less
- Only "Low-Volatile Organic Compounds" paints (no more than 50 gram/liter of VOC) and/or High Pressure Low Volume (HPLV) applications consistent with South Coast Air Quality Management District Rule 1113 shall be used.

BACM AQ-2

Plans, specifications, and contract documents shall note that a sign shall be posted on-site stating that construction workers shall not idle diesel engines in excess of five (5) minutes (5).

1.3.2 OTHER MEASURES

MM AQ-1

During grading activity, all construction equipment greater than 150 horsepower shall be California Air Resources Board (CARB) Tier 3 Certified or better.

MM AQ-2

During site preparation and grading activity all actively graded areas within the Project site shall be watered at 2.1-hour watering intervals (e.g., 4 times per day) or a movable sprinkler system shall be in place to ensure minimum soil moisture of 12% in maintained for actively graded areas. Moisture content can be verified with use of a moisture probe by the grading contractor.

1.4 OPERATIONAL-SOURCE AIR POLLUTANT EMISSIONS MITIGATION MEASURES

No feasible mitigation measures exist that would reduce these emissions to levels that are less-than-significant. Project operational-source NO_x emissions exceedances of applicable SCAQMD regional thresholds are therefore considered significant and unavoidable. Moreover, more than 94 percent of all operational-source emissions (by weight) would be generated by Project mobile sources (traffic). Neither the Project Applicant nor the Lead Agency (City of Chino) can substantively or materially affect reductions in Project mobile-source emissions beyond the regulatory requirements, and mitigation measures identified herein. As such the following mitigation measures will reduce impacts to the maximum extent feasible. Notwithstanding, as a conservative measure, no “credit” has been taken for implementation of the following mitigation measures.

MM AQ-3

The truck access gates and loading docks within the truck court on the Project site shall be posted with signs which state:

- a) Truck drivers shall turn off engines when not in use;
- b) Diesel delivery trucks servicing the Project shall not idle for more than five (5) minutes^[1]; and
- c) Telephone numbers of the building facilities manager and the CARB to report violations.

MM AQ-4

The project Applicant shall make its tenants aware of the funding opportunities, such as Carl Moyer, and other similar funding opportunities, by providing applicable literature on such funding opportunities as available from the CARB.

MM AQ-5

The project shall be designed to incorporate electric vehicle charging stations and carpool parking spaces for employees.

1.5 EVALUATION OF APPLICABILITY OF SCAQMD-RECOMMENDED MITIGATION MEASURES

The South Coast Air Quality Management District (SCAQMD) provided a comment letter on the Notice of Preparation of a CEQA document for the Project. The SCAQMD’s comment letter includes a reference to several sources to consider for purposes of mitigating significant air quality impacts. The following table evaluates the applicability of the SCAQMD’s recommended measures.

^[1] While restricted idling is required per MM AQ-3, the analysis presented here takes no quantified credit or reduction in emissions for restricted idling, and reflects an assumed 15-minute “worst case” idling condition.

TABLE 1-1: APPLICABILITY OF SCAQMD-RECOMMENDED MITIGATION MEASURES

Mitigation Measure	Applicability
Chapter 11 of the SCAQMD <i>CEQA Air Quality Handbook</i> (Construction)	The applicable mitigation measures listed in Chapter 11 (Tables 11-2, 11-3, and 11-4) of the SCAQMD <i>CEQA Air Quality Handbook</i> have been reviewed. However, no additional mitigation measures are necessary since Project-related construction emissions (regional and localized) would not exceed the applicable SCAQMD thresholds with application of BACMs.
Chapter 11 of the SCAQMD <i>CEQA Air Quality Handbook</i> (Operations)	<p>The applicable mitigation measures listed in Chapter 11 (Tables 11-6c and 11-7c) of the SCAQMD <i>CEQA Air Quality Handbook</i> have been reviewed. Mitigation measures recommended for the Project are generally consistent with measures recommended by SCAQMD.</p> <p>However, none of the additional mitigation measures beyond those identified above would reduce the significant NOx impact to less than significant levels. It should be noted the SCAQMD <i>CEQA Air Quality Handbook</i> has not been updated since 2003.</p> <p>Additionally, several of the measures listed provide a negligible NOx reduction with a number designated by SCAQMD as having no quantified benefit or negligible benefit. Therefore, implementation of these measures would not avoid or substantially lessen mobile source NOx emissions attributable to the project.</p>
SCAQMD CEQA Web Pages (Fugitive Dust)	With application of BACMs, the Project would not have a significant impact for construction related PM10 or PM2.5 emissions. Therefore, no additional mitigation measures are required to reduce fugitive dust emissions.
SCAQMD CEQA Web Pages (Harbor Craft, Locomotives, Ocean Going Vessels)	The following mitigation measures are not applicable to the proposed Project. It is not expected that the Project would include the use of a harbor craft, locomotives, or ocean-going vessels.

<p>SCAQMD CEQA Web Pages (Off-Road Engines)</p>	<p>Mitigation measures that would apply to off-road engines have been reviewed. Notwithstanding, implementation of these measures would not avoid or substantially lessen mobile source NOx emissions attributable to the project.</p>
<p>SCAQMD CEQA Web Pages (On-Road Engines)</p>	<p>The California Air Resources Board (CARB) has worked closely with the U.S. Environmental Protection Agency (U.S. EPA), engine and vehicle manufacturers, and other interested parties to reduce emissions from heavy-duty diesel vehicles in California, through a combination of measures including regulations requiring the use of ultra-low sulfur diesel fuel, new emission standards, restrictions on idling, addition of post-combustion filter and catalyst equipment, and retrofits for diesel truck fleets. These programs are expected to result in significant reductions in particulate matter (PM), nitrous oxides (NOX), volatile organic compounds (VOC), and carbon oxide (CO) emissions as they are fully implemented.</p> <p>Under the Truck and Bus Regulation, adopted by CARB in 2008, all diesel truck fleets operating in California are required to adhere to an aggressive schedule for upgrading and replacing heavy-duty truck engines. Pursuant to such regulation, older, heavier trucks, i.e., those with pre-2000-year engines and a gross vehicle weight rating (GVWR) greater than 26,000 pounds are already required to have installed a PM filter and must be replaced with a 2010 engine between 2015 and 2020, depending on the model year. By 2015, all heavier pre-1994 trucks must be upgraded to 2010 engines and newer trucks are thereafter required to be replaced over the next eight years. Older, more polluting trucks are required to be replaced first, while trucks that already have relatively clean 2007-2009 engines are not required to be replaced until 2023. Lighter trucks (those with a GVWR of 14,001 to 26,000 pounds) must adhere to a similar schedule and will all be replaced by 2020.</p> <p>Further, nearly all trucks that are not required under the Truck and Bus Regulation to be replaced by 2015 are required to be upgraded with a PM filter by that</p>

	<p>date. Therefore, most heavy-duty trucks entering the project site will meet or exceed U.S. EPA 2007 and 2010 emission standards within a relatively short period of time after the project becomes operational in 2020, and all such trucks entering the property will meet or exceed such standards by 2023.</p> <p>Federal and state agencies regulate and enforce vehicle emission standards. It is not feasible for the City of Chino staff to effectively enforce a prohibition on trucks from entering the property that are otherwise permitted to operate in California and access other properties in the city, region, and state. And, even if the City were to apply such a restriction, it would merely cause warehouse operators using truck fleets older than 2007/2010 to locate in another location in the South Coast Air Basin where the restriction does not apply, thereby resulting in no improvement to regional air quality. Further if a truck that did not meet this requirement were to attempt access to the site and be denied, there would be more idling emissions and travel emissions associated with that truck.</p>
<p>CAPCOA's <i>Quantifying Greenhouse Gas Mitigation Measures</i></p>	<p>All feasible and applicable mitigation measures listed in the Energy, Water, and Transportation sections (as shown in Chart 6-1 and Chart 6-2 of the CAPCOA document) have been applied to the analysis. However, these measures are aimed at reducing GHG emissions and implementation of these measures would not avoid or substantially lessen mobile source NOx emissions attributable to the project.</p>
<p>SCAQMD Rule 403</p>	<p>As identified in BACM AQ-1 the Project would need to comply with applicable SCAQMD Rules including, but not limited to Rule 403.</p>
<p>SCAQMD's Guidance Document for addressing Air Quality Issues in General Plans and Local Planning</p>	<p>These measures are not applicable to the proposed Project because the measures listed are aimed towards local governments as a guidance to reduce community exposure to source-specific air pollution impacts at the General Plan level.</p>

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2 EXISTING CONDITIONS

This section provides an overview of the existing energy conditions in the Project area and region.

2.1 OVERVIEW

California's estimated annual energy use as of 2016 included:

- Approximately 198,227 gigawatt hours of electricity; (6)
- Approximately 2,177,467 million cubic feet of natural gas per year (7); and
- Approximately 18.5 billion gallons of transportation fuel (for the year 2014) (8).

As of 2015, the year of most recent data currently available by the United States Energy Information Administration (EIA), energy use in California by demand sector was:

- Approximately 39.2 percent transportation;
- Approximately 24.0 percent industrial;
- Approximately 17.7 percent residential; and
- Approximately 19.1 percent commercial. (9)

California's massive electricity in-state generation system generates approximately 198,227 gigawatt-hours each year and is transported over the state's 32,000 miles of transmission lines. In 2016, California produced close to 68% of the electricity it uses; the rest was imported from the Pacific Northwest (15%) and the U.S. Southwest (17%). Natural gas is the main source for electricity generation at 50% of the total in-state electric generation system power as shown in Table 2-1.

TABLE 2-1: TOTAL ELECTRICITY SYSTEM POWER (CALIFORNIA 2016)

Fuel Type	California In-State Generation (GWh)	Percent of California In-State Generation	Northwest Imports (GWh)	Southwest Imports (GWh)	California Power Mix (GWh)	Percent California Power Mix
Coal	324	0.16%	373	11,310	12,006	4.13%
Large Hydro	24,410	12.31%	3367	1,904	29,681	10.21%
Natural Gas	98,831	49.86%	41	7,120	105,992	36.48%
Nuclear	18,931	9.55%	0	7,739	26,670	9.18%
Oil	37	0.0%	0	0	37	0.01%
Other	394	0.2%	0	0	394	0.14%
Renewables	55,300	27.90%	11,710	6,952	73,961	25.45%
Biomass	5,868	2.96%	659	25	6,553	2.26%
Geothermal	11,582	5.84%	96	1038	12,717	4.38%
Small Hydro	4,567	2.30%	229	1	4,796	1.65%
Solar	19,783	9.98%	0	3,791	23,574	8.11%
Wind	13,500	6.81%	10,725	2,097	26,321	9.06%
Unspecified Sources of Power	N/A	N/A	26,888	14,937	41,825	14.39%
Total	198,227	100.00%	42,378	49,963	290,567	100.00%

Source: http://energyalmanac.ca.gov/electricity/total_system_power.html

A summary of, and context for energy consumption and energy demands within the State is presented in “U.S. Energy Information Administration, California State Profile and Energy Estimates, Quick Facts” excerpted below:

- Excluding federal offshore areas, California was the third-largest producer of petroleum among the 50 states in 2016, after Texas and North Dakota, and, as of January 2017, third in oil refining capacity, with a combined capacity of almost 2 million barrels per calendar day at the state’s 18 operable refineries.
- In 2015, California accounted for one-fifth of the nation’s jet fuel consumption.
- California’s total energy consumption ranks amount the highest in the nation, but, in 2015, the state’s per capita energy consumption ranked 49th, due in part to its mild climate and its energy efficiency programs.
- In 2016, California ranked third in the nation in conventional hydroelectric generation, second in net electricity generation from all other renewable energy resources combined, and first as a producer of electricity from solar, geothermal, and biomass resources.
- California leads the nation in solar thermal electricity capacity and generation. In 2016, California had 73% of the nation’s capacity and produced 71% of the nation’s utility-scale electricity generation from solar thermal resources (10).

As indicated above, California is one of the nation’s leading energy-producing states, and California per capita energy use is among the nation’s most efficient. Given the nature of the proposed Project being an industrial development, the remainder of this discussion will focus on

the three sources of energy that are most relevant to the project—namely, electricity and natural gas for industrial uses, and transportation fuel for vehicle trips associated with industrial uses planned for the Project.

2.2 ELECTRICITY

The Southern California region's electricity reliability has been of concern for the past several years due to the planned retirement of aging facilities that depend upon once-through cooling technologies, as well as the June 2013 retirement of the San Onofre Nuclear Generating Station (San Onofre). While the once-through cooling phase-out has been ongoing since the May 2010 adoption of the State Water Resources Control Board's once-through cooling policy, the retirement of San Onofre complicated the situation. California ISO studies had revealed the extent to which the Los Angeles Basin and San Diego region were vulnerable to low-voltage and post-transient voltage instability concerns. A preliminary plan to address these issues was detailed in the 2013 Integrative Energy Policy Report (2013 IEPR) after a collaborative process with other energy agencies, utilities, and air districts (11). If the resource development outlined in the preliminary plan continues as detailed, reliability in Southern California would likely be assured; however, tight resource margins have led energy agencies and the ARB to develop a contingency plan. This contingency plan was discussed at a public workshop in Los Angeles on August 20, 2014, and is detailed within this Section (12).

Electricity would be provided to the Project by Southern California Edison (SCE). SCE provides electric power to more than 14 million persons in 15 counties and in 180 incorporated cities, within a service area encompassing approximately 50,000 square miles. SCE derives electricity from varied energy resources including: fossil fuels, hydroelectric generators, nuclear power plants, geothermal power plants, solar power generation, and wind farms. SCE also purchases from independent power producers and utilities, including out-of-state suppliers. (13)

California's electricity industry is an organization of traditional utilities, private generating companies, and state agencies, each with a variety of roles and responsibilities to ensure that electrical power is provided to consumers. The California Independent Service Operator ("ISO") is a nonprofit public benefit corporation, and is the impartial operator of the State's wholesale power grid and is charged with maintaining grid reliability, and to direct uninterrupted electrical energy supplies to California residential and commercial users. While utilities [such as SCE] still own transmission assets, the ISO routes electrical power along these assets, maximizing the use of the transmission system and its power generation resources. The ISO matches buyers and sellers of electricity to ensure that sufficient power is available to meet demand. To these ends, every five minutes the ISO forecasts electrical demands, accounts for operating reserves, and assigns the lowest cost power plant unit to meet demands while ensuring adequate system transmission capacities and capabilities. (14)

Part of the ISO's charge is to plan and coordinate grid enhancements to ensure that electrical power is provided to California consumers. To this end, transmission owners (investor-owned utilities such as SCE) file annual transmission expansion/modification plans to accommodate the State's growing electrical needs. The ISO reviews and either approves or denies the proposed additions. In addition, and perhaps most importantly, the ISO works with other areas in the

western United States electrical grid to ensure that adequate power supplies are available to the State. In this manner, continuing reliable and affordable electrical power is assured to existing and new consumers throughout the State.

Table 2-2 identifies SCE’s specific proportional shares of electricity sources in 2016. As indicated in Table 2-2, shows the 2016 SCE Power Mix has renewable energy at 25% of the overall energy resources. Geothermal is remaining steady at 4%. Wind power is remaining steady at 9%, decreasing from 10% in 2014. Large hydro is at 10%, having increased from 3% in 2014. Solar energy is at 8% having increased from 4% in 2014. Biomass and waste has increased to 2% from 1% in 2014. Coal is at 4% having increased from 0%, in 2014 and having decreased significantly from 6% in 2013 and from 7% in 2012. Natural gas is at 37% having increased from 27%, in 2014 and 28% in 2013.

TABLE 2-2: SCE 2016 POWER CONTENT MIX

Energy Resources	2016 SCE Power Mix
<i>Eligible Renewable</i>	25%
Biomass & waste	2%
Geothermal	4%
Small Hydroelectric	2%
Solar	8%
Wind	9%
<i>Coal</i>	4%
<i>Large Hydroelectric</i>	10%
<i>Natural Gas</i>	37%
<i>Nuclear</i>	9%
<i>Other</i>	0%
Unspecified Sources of power*	15%
Total	100%

* "Unspecified sources of power" means electricity from transactions that are not traceable to specific generation sources

2.3 NATURAL GAS

Natural gas would be provided to the Project by The Gas Company (Southern California Gas, SoCalGas). The following summary of natural gas resources and service providers, delivery systems, and associated regulation is excerpted from information provided by the California Public Utilities Commission (CPUC).

“The California Public Utilities Commission (PUC) regulates natural gas utility service for approximately 10.8 million customers that receive natural gas from Pacific Gas and Electric (PG&E), Southern California Gas (SoCalGas), San Diego Gas & Electric (SDG&E), Southwest Gas, and several smaller natural gas utilities. The CPUC also regulates independent storage operators Lodi Gas Storage, Wild Goose Storage, Central Valley Storage and Gill Ranch Storage.

The vast majority of California's natural gas customers are residential and small commercial customers, referred to as "core" customers, who accounted for approximately 32% of the natural gas delivered by California utilities in 2012. Large consumers, like electric generators and industrial customers, referred to as "noncore" customers, accounted for approximately 68% of the natural gas delivered by California utilities in 2012.

The PUC regulates the California utilities' natural gas rates and natural gas services, including in-state transportation over the utilities' transmission and distribution pipeline systems, storage, procurement, metering and billing. Most of the natural gas used in California comes from out-of-state natural gas basins. In 2012, California customers received 35% of their natural gas supply from basins located in the Southwest, 16% from Canada, 40% from the Rocky Mountains, and 9% from basins located within California. California gas utilities may soon also begin receiving biogas into their pipeline systems.

Natural gas from out-of-state production basins is delivered into California via the interstate natural gas pipeline system. The major interstate pipelines that deliver out-of-state natural gas to California consumers are the Gas Transmission Northwest Pipeline, Kern River Pipeline, Transwestern Pipeline, El Paso Pipeline, the Ruby Pipeline, Questar Southern Trails and Mojave Pipeline. Another pipeline, the North Baja – Baja Norte Pipeline, takes gas off the El Paso Pipeline at the California/Arizona border, and delivers that gas through California into Mexico. While the Federal Energy Regulatory Commission (FERC) regulates the transportation of natural gas on the interstate pipelines, the PUC often participates in FERC regulatory proceedings to represent the interests of California natural gas consumers.

Most of the natural gas transported via the interstate pipelines, as well as some of the California-produced natural gas, is delivered into the PG&E and SoCalGas intrastate natural gas transmission pipeline systems (commonly referred to as California's "backbone" natural gas pipeline system). Natural gas on the utilities' backbone pipeline systems is then delivered into the local transmission and distribution pipeline systems, or to natural gas storage fields. Some large noncore customers take natural gas directly off the high pressure backbone pipeline systems, while core customers and other noncore customers take natural gas off the utilities' distribution pipeline systems. The PUC has regulatory jurisdiction over 150,000 miles of utility-owned natural gas pipelines, which transported 82% of the total amount of natural gas delivered to California's gas consumers in 2012.

SDG&E and Southwest Gas' southern division are wholesale customers of SoCalGas, and currently receive all of their natural gas from the SoCalGas system (Southwest Gas also provides natural gas distribution service in the Lake Tahoe area). Some other municipal wholesale customers are the cities of Palo Alto, Long Beach, and Vernon, which are not regulated by the CPUC.

Some of the natural gas delivered to California customers may be delivered directly to them without being transported over the regulated utility systems. For example, the Kern

River/Mojave pipeline system can deliver natural gas directly to some large customers, “bypassing” the utilities’ systems. Much of California-produced natural gas is also delivered directly to large consumers.

PG&E and SoCalGas own and operate several natural gas storage fields that are located in northern and southern California. These storage fields, and four independently owned storage utilities – Lodi Gas Storage, Wild Goose Storage, Central Valley Storage, and Gill Ranch Storage – help meet peak seasonal natural gas demand and allow California natural gas customers to secure natural gas supplies more efficiently. (A portion of the Gill Ranch facility is owned by PG&E).

California’s regulated utilities do not own any natural gas production facilities. All of the natural gas sold by these utilities must be purchased from suppliers and/or marketers. The price of natural gas sold by suppliers and marketers was deregulated by the FERC in the mid-1980’s and is determined by “market forces.” However, the PUC decides whether California’s utilities have taken reasonable steps in order to minimize the cost of natural gas purchased on behalf of their core customers.” (15)

As indicated in the preceding discussions, natural gas is available from a variety of in-state and out-of-state sources and is provided throughout the state in response to market supply and demand. Complementing available natural gas resources, biogas may soon be available via existing delivery systems, thereby increasing the availability and reliability of resources in total. The PUC oversees utility purchases and transmission of natural gas to ensure reliable and affordable natural gas deliveries to existing and new consumers throughout the State.

2.4 TRANSPORTATION ENERGY RESOURCES

The Project would attract additional vehicle trips with resulting consumption of energy resources, predominantly gasoline and diesel fuel. As of 2017, there are more than 35 million registered vehicles in California (16), and those vehicles (as noted previously) consume an estimated 19 billion gallons of fuel each year¹. Gasoline (and other vehicle fuels) are commercially-provided commodities and would be available to the Project patrons and employees via commercial outlets.

California’s on-road transportation system includes 170,000 miles of highways and major roadways, more than 27 million passenger vehicles and light trucks, and almost 8 million medium- and heavy-duty vehicles (16). The most recent data available (2015) shows the transportation sector emits 37 percent of the total greenhouse gases in the state and about 81 percent of smog-forming oxides of nitrogen (NO_x) (17) (18). While gasoline consumption has been declining since 2008 it is still by far the dominant fuel. Petroleum comprises about 92 percent of all transportation energy use, excluding fuel consumed for aviation and most marine vessels (19). Nearly 19 billion gallons of on-highway fuel are burned each year, including 15.1 billion gallons of gasoline (including ethanol) and 3.9 billion gallons of diesel fuel (including biodiesel and

¹ Fuel consumptions estimated utilizing information from EMFAC2014.

renewable diesel)². In 2016, Californians also used 194 million therms of natural gas as a transportation fuel (20), or the equivalent of 155 million gallons of gasoline.

² Fuel consumptions estimated utilizing information from EMFAC2014.

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3 REGULATORY BACKGROUND

3 REGULATORY BACKGROUND

Federal and state agencies regulate energy use and consumption through various means and programs. On the federal level, the United States Department of Transportation, the United States Department of Energy, and the United States Environmental Protection Agency are three federal agencies with substantial influence over energy policies and programs. On the state level, the PUC and the California Energy Commissions (CEC) are two agencies with authority over different aspects of energy. Relevant federal and state energy-related laws and plans are summarized below. Project consistency with applicable federal and state regulations is also presented in *italicized* text.

3.1 FEDERAL REGULATIONS

Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA)

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) promoted the development of inter-modal transportation systems to maximize mobility as well as address national and local interests in air quality and energy. ISTEA contained factors that Metropolitan Planning Organizations (MPOs) were to address in developing transportation plans and programs, including some energy-related factors. To meet the new ISTEA requirements, MPOs adopted explicit policies defining the social, economic, energy, and environmental values guiding transportation decisions. *Transportation and access to the Project site is provided primarily by the local and regional roadway systems. The Project would not interfere with, nor otherwise obstruct intermodal transportation plans or projects that may be realized pursuant to the ISTEA because SCAG is not planning for intermodal facilities on or through the Project site.*

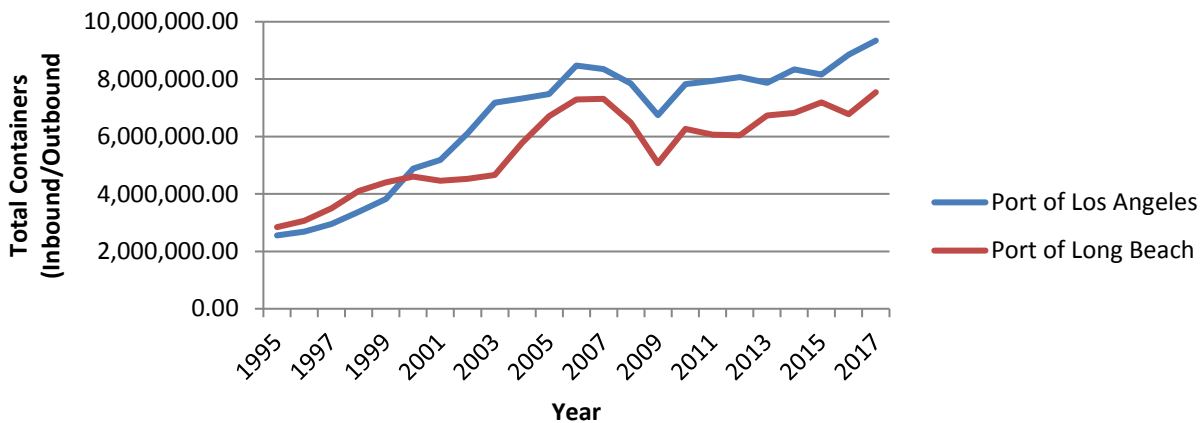
The Transportation Equity Act for the 21st Century (TEA-21)

The Transportation Equity Act for the 21st Century (TEA-21) was signed into law in 1998 and builds upon the initiatives established in the ISTEA legislation, discussed above. TEA-21 authorizes highway, highway safety, transit, and other efficient surface transportation programs. TEA-21 continues the program structure established for highways and transit under ISTEA, such as flexibility in the use of funds, emphasis on measures to improve the environment, and focus on a strong planning process as the foundation of good transportation decisions. TEA-21 also provides for investment in research and its application to maximize the performance of the transportation system through, for example, deployment of Intelligent Transportation Systems, to help improve operations and management of transportation systems and vehicle safety. *The Project site is located along major transportation corridors with proximate access to the Interstate freeway system. The site selected for the Project facilitates access, acts to reduce vehicle miles traveled, takes advantage of existing infrastructure systems, and promotes land use compatibilities through collocation of similar uses. The Project supports the strong planning processes emphasized under TEA-21. The Project is therefore consistent with, and would not otherwise interfere with, nor obstruct implementation of TEA-21.*

As shown on Exhibit 3-A, data from both the Port of Los Angeles and the Port of Long Beach shows that the receiving and shipping of containers have had a stable trend since the recession that hit in 2007 (21) (22). Therefore, truck transport from the ports is relatively stable and a Project of this type would not be increasing the amount of truck trips and consequently VMT than what would normally occur within the basin. As such, the estimation of the Altitude Business Center Project’s vehicular-source emissions is likely overstated in that no credit for, or reduction in, emissions is assumed based on diversion of existing trips.

Additionally, the Southern California Association of Governments’ (SCAG’s) 2012-2035 Regional Transportation Plan / Sustainable Communities Strategy (RTP/SCS) includes information on goods movement that clearly illustrates that of the port-related trips within the SCAG region, more than 85% have an origin or destination within Los Angeles County. As a result, the Project would serve to meet this demand and not be expected to increase trips or VMT in the air basin.

EXHIBIT 3-A: PORT OF LOS ANGELES/PORT OF LONG BEACH CONTAINER COUNTS



3.2 CALIFORNIA REGULATIONS

Integrated Energy Policy Report

Senate Bill 1389 (Bowen, Chapter 568, Statutes of 2002) requires the California Energy Commission to prepare a biennial integrated energy policy report that assesses major energy trends and issues facing the state’s electricity, natural gas, and transportation fuel sectors and provides policy recommendations to conserve resources; protect the environment; ensure reliable, secure, and diverse energy supplies; enhance the state’s economy; and protect public health and safety (Public Resources Code § 25301a). The Energy Commission prepares these assessments and associated policy recommendations every two years, with updates in alternate years, as part of the Integrated Energy Policy Report.

The 2016 Integrated Energy Policy Report (2016 IEPR) was published in February 2017, and continues to work towards improving electricity, natural gas, and transportation fuel energy use in California. The 2016 IEPR focuses on a variety of topics such as including the environmental

performance of the electricity generation system, landscape-scale planning, the response to the gas leak at the Aliso Canyon natural gas storage facility, transportation fuel supply reliability issues, updates on Southern California electricity reliability, methane leakage, climate adaptation activities for the energy sector, climate and sea level rise scenarios, and the California Energy Demand Forecast (23).

State of California Energy Plan

The CEC is responsible for preparing the State Energy Plan, which identifies emerging trends related to energy supply, demand, conservation, public health and safety, and the maintenance of a healthy economy. The Plan calls for the state to assist in the transformation of the transportation system to improve air quality, reduce congestion, and increase the efficient use of fuel supplies with the least environmental and energy costs. To further this policy, the plan identifies a number of strategies, including assistance to public agencies and fleet operators and encouragement of urban designs that reduce vehicle miles traveled and accommodate pedestrian and bicycle access. *The Project site is located along major transportation corridors with proximate access to the Interstate freeway system. The site selected for the Project facilitates access, acts to reduce vehicle miles traveled, takes advantage of existing infrastructure systems, and promotes land use compatibilities through the introduction of commercial uses on a commercially-designated site. The Project therefore supports urban design and planning processes identified under the State of California Energy Plan, is consistent with, and would not otherwise interfere with, nor obstruct implementation of the State of California Energy Plan.*

California Code Title 24, Part 6, Energy Efficiency Standards

California Code Title 24, Part 6 (also referred to as the California Energy Code), was promulgated by the CEC in 1978 in response to a legislative mandate to create uniform building codes to reduce California's energy consumption. To these ends, the California Energy Code provides energy efficiency standards for residential and nonresidential buildings. According to the CEC, the Energy Commission's energy efficiency standards have saved Californians billions in reduced electricity bills since 1977. (24)

The newest 2016 version of Title 24 was adopted by the California Energy Commission (CEC) and became effective on January 1, 2017. The CEC indicates that the 2016 Title 24 standards will reduce energy consumption by 5 percent for nonresidential buildings above that achieved by the 2013 Title 24.

The Project would be designed, constructed and operated so as to exceed incumbent Title 24 Energy Efficiency Standards by a minimum of three percent. On this basis, the Project is determined to be consistent with, and would not interfere with, nor otherwise obstruct implementation of Title 24 Energy Efficiency Standards.

4 PROJECT ENERGY DEMANDS AND ENERGY EFFICIENCY MEASURES

4.1 EVALUATION CRITERIA

In compliance with Appendix F of the *State CEQA Guidelines*, (25) this report analyzes the project's anticipated energy use to determine if the Project would:

- Result in the wasteful, inefficient or unnecessary consumption of energy; or
- Result in a substantial increase in demand or transmission service, resulting in the need for new or expanded sources of energy supply or new or expanded energy delivery systems or infrastructure.

In addition, Appendix F of the State CEQA Guidelines states that the means of achieving the goal of energy conservation includes the following:

- Decreasing overall per capita energy consumption;
- Decreasing reliance on fossil fuels such as coal, natural gas and oil; and
- Increasing reliance on renewable energy sources.

4.2 METHODOLOGY

Information from the CalEEMod 2016.3.2 outputs for the Altitude Business Center Air Quality Impact Analysis, Urban Crossroads (2018) (26) was utilized in this analysis, detailing Project related construction equipment, transportation energy demands, and facility energy demands. These outputs can be referenced in Appendix 3.1.

4.3 CONSTRUCTION ENERGY DEMANDS

4.3.1 CONSTRUCTION EQUIPMENT ELECTRICITY USAGE ESTIMATES

The focus within this section is the energy implications of the construction process, specifically the power cost from on-site electricity consumption during construction of the proposed Project. Based on the 2017 National Construction Estimator, Richard Pray (2017) (27), the typical power cost per 1,000 square feet of building construction per month is estimated to be \$2.32. For the Altitude Business Center development, the Project plans to develop 1,313,000 square feet of business center use over the course of approximately 27 months. Based on Table 4-1, the total power cost of the on-site electricity usage during the construction of the proposed Project is estimated to be approximately \$82,246.32. Additionally, as of June 1, 2016, SCE's general service rate schedule (GS-1) for an industrial land use is \$.08 per kWh of electricity (28). As shown on Table 4-2, the total electricity usage from on-site Project construction related activities is estimated to be approximately 1,028,079 kWh.

TABLE 4-1: PROJECT CONSTRUCTION POWER COST

Power Cost (per 1,000 SF of building per month of construction)	Total Building Size (1,000 SF)	Construction Duration (months)	Total Project Construction Power Cost
\$2.32	1,313	27	\$82,246.32

TABLE 4-2: PROJECT CONSTRUCTION ELECTRICITY USAGE

Cost per kWh	Total Project Construction Electricity Usage (kWh)
\$0.08	1,028,079

¹Assumes the Project will be under the GS-1 General Industrial service rate under SCE

4.3.2 CONSTRUCTION EQUIPMENT FUEL ESTIMATES

Fuel consumed by construction equipment would be the primary energy resource expended over the course of Project construction. Project construction activity timeline estimates, construction equipment schedules, equipment power ratings, load factors, and associated fuel consumption estimates are presented in Table 4-3. Eight-hour daily use of all equipment is assumed. The aggregate fuel consumption rate for all equipment is estimated at 18.5 hp-hr-gal., obtained from California Air Resources Board (CARB) 2013 Emissions Factors Tables and cited fuel consumption rate factors presented in Table D-24 of the Moyer guidelines. (29) For the purposes of this analysis, that the calculations are based on all construction equipment being diesel-powered which is standard practice consistent with industry standards. Diesel fuel would be supplied by existing commercial fuel providers serving the County and region.

As presented in Table 4-3, Project construction activities would consume an estimated 198,055 gallons of diesel fuel. Project construction would represent a “single-event” diesel fuel demand and would not require on-going or permanent commitment of diesel fuel resources for this purpose.

TABLE 4-3: CONSTRUCTION EQUIPMENT FUEL CONSUMPTION ESTIMATES

Activity/Duration	Equipment	HP Rating	Quantity	Usage Hours	Load Factor	HP-hrs/day	Total Fuel Consumption (gal. diesel fuel)
Demolition (20 days)	Concrete/Industrial Saws	81	1	8	0.73	473	511
	Crushing/Proc. Equipment	85	1	8	0.78	530	573
	Excavators	158	2	8	0.38	961	1,039
	Rubber Tired Dozers	247	2	8	0.40	1,581	1,709
Grading (135 days)	Excavators	159	2	8	0.38	967	7,054
	Graders	187	4	8	0.41	2,453	17,903
	Other Construction Equipment	172	2	8	0.42	1,156	8,435
	Rubber Tired Dozers	247	4	8	0.40	3,162	23,071
	Scrapers	367	4	8	0.48	5,637	41,136
	Tractors/Loaders/Backhoes	97	2	8	0.37	574	4,190
Building Construction (345 days)	Cranes	231	2	8	0.29	1,072	19,988
	Forklifts	89	3	8	0.20	427	7,967
	Generator Sets	84	2	8	0.74	995	18,547
	Tractors/Loaders/Backhoes	97	3	8	0.37	861	16,063
	Welders	46	2	8	0.45	331	6,176
Paving (105 days)	Pavers	130	2	8	0.42	874	4,958
	Paving Equipment	132	2	8	0.36	760	4,315
	Rollers	80	2	8	0.38	486	2,761
Architectural Coating (240 days)	Air Compressors	78	3	8	0.48	899	11,657
CONSTRUCTION FUEL DEMAND (gallons diesel fuel)							198,055

4.3.3 CONSTRUCTION WORKER FUEL ESTIMATES

It is assumed that all construction worker trips are from light duty autos (LDA) along area roadways. With respect to estimated VMT, the construction worker trips would generate an estimated 3,384,896 VMT (26). Data regarding Project related construction worker trips were based on CalEEMod 2016.3.2 model defaults utilized within the AQIA.

Vehicle fuel efficiencies for LDA were estimated using information generated within the 2014 version of the Emissions FACTor model (EMFAC) developed by the Air Resources Board (ARB). EMFAC 2014 is a mathematical model that was developed to calculate emission rates, fuel consumption, and VMT from motor vehicles that operate on highways, freeways, and local roads in California and is commonly used by the ARB to project changes in future emissions from on-road mobile sources (30). EMFAC 2014 was run for the LDA vehicle class within the California sub-area for a 2020 calendar year. Data from EMFAC 2014 is shown in Appendix 3.2.

As generated by EMFAC 2014, an aggregated fuel economy of LDAs ranging from model year 1974 to model year 2018 are estimated to have a fuel efficiency of 27.75 miles per gallon (MPG). Table 4-4 provides an estimated annual fuel consumption resulting from Project generated light duty autos related to construction worker trips. Based on Table 4-4, it is estimated that 121,978 gallons of fuel will be consumed related to construction worker trips after full construction of the proposed Project. Project construction worker trips would represent a “single-event” gasoline fuel demand and would not require on-going or permanent commitment of fuel resources for this purpose.

TABLE 4-4: CONSTRUCTION WORKER FUEL CONSUMPTION ESTIMATES

Construction Activity	Worker Trips / Day	Trip Length (miles)	Vehicle Miles Traveled	Average Vehicle Fuel Economy (mpg)	Estimated Fuel Consumption (gallons)
Demolition (20 days)	15	14.7	4,410	27.75	159
Grading (135 days)	135	14.7	267,908	27.75	9,654
Building Construction (345 days)	527	14.7	2,672,681	27.75	96,313
Architectural Coating (240 days)	105	14.7	370,440	27.75	13,349
Paving (105 days)	45	14.7	69,458	27.75	2,503
TOTAL CONSTRUCTION WORKER FUEL CONSUMPTION					121,978

4.3.4 CONSTRUCTION VENDOR/HAULING FUEL ESTIMATES

With respect to estimated VMT, the construction vendor/hauling trips would generate an estimated 997,654 VMT along area roadways (26). It is assumed that 50% of all vendor trips are from medium-heavy duty trucks (MHD) and 50% are from heavy-heavy duty trucks (HHD). It is assumed that 100% of all hauling trips are from HHD. These assumptions are consistent with the

2016.3.2 CalEEMod defaults utilized within the Altitude Business Center Air Quality Impact Analysis. Vehicle fuel efficiencies for MHD and HHD trucks were estimated using information generated within EMFAC 2014. For purposes of this analysis, EMFAC 2014 was run for the MHD and HHD vehicle class within the California sub-area for a 2020 calendar year. Data from EMFAC 2014 is shown in Appendix 3.2.

As generated by EMFAC 2014, an aggregated fuel economy of MHD trucks ranging from model year 1974 to model year 2018 are estimated to have a fuel efficiency of 8.5 mpg. Additionally, HHD trucks are estimated to have a fuel efficiency of 5.85 mpg.

Table 4-5 and Table 4-6 shows the estimated fuel economy of MHD and HHD trucks accessing the Project site. Based on Table 4-5 and Table 4-6, fuel consumption from construction hauling and vendor trips (medium and heavy-duty trucks) will total approximately 156,901 gallons. Project construction vendor trips would represent a “single-event” diesel fuel demand and would not require on-going or permanent commitment of diesel fuel resources for this purpose.

TABLE 4-5: CONSTRUCTION VENDOR FUEL CONSUMPTION ESTIMATES (MHD TRUCKS)³

Construction Activity	Vendor Trips / Day	Trip Length (miles)	Vehicle Miles Traveled	Average Vehicle Fuel Economy (mpg)	Estimated Fuel Consumption (gallons)
Building Construction (345 days)	108	6.9	255,904	8.5	30,106

TABLE 4-6: CONSTRUCTION VENDOR/HAULING FUEL CONSUMPTION ESTIMATES (HHD TRUCKS)⁴

Construction Activity	Vendor/Hauling Trips/ Day	Trip Length (miles)	Vehicle Miles Traveled	Average Vehicle Fuel Economy (mpg)	Estimated Fuel Consumption (gallons)
Building Construction (345 days)	108	20	741,750	5.85	126,795

4.3.5 CONSTRUCTION ENERGY EFFICIENCY/CONSERVATION MEASURES

The equipment used for Project construction would conform to CARB regulations and CA emissions standards and would evince related fuel efficiencies. There are no unusual Project characteristics or construction processes that would require the use of equipment that would be more energy intensive than is used for comparable activities; or equipment that would not

³ Assumptions for the vendor trip length and vehicle miles traveled are consistent with 2013.2.2 model defaults utilized within the Altitude Business Center Air Quality Impact Analysis.

⁴ Assumptions for the vendor trip length and vehicle miles traveled are consistent with 2013.2.2 model defaults utilized within the Altitude Business Center Air Quality Impact Analysis.

conform to current emissions standards (and related fuel efficiencies). Equipment employed in construction of the Project would therefore not result in inefficient wasteful, or unnecessary consumption of fuel.

The Project would utilize construction contractors which practice compliance with applicable CARB regulation regarding retrofitting, repowering, or replacement of diesel off-road construction equipment. Additionally, CARB has adopted the Airborne Toxic Control Measure to limit heavy-duty diesel motor vehicle idling in order to reduce public exposure to diesel particulate matter and other Toxic Air Contaminants. Compliance with anti-idling and emissions regulations would result in a more efficient use of construction-related energy and the minimization or elimination of wasteful or unnecessary consumption of energy. Idling restrictions and the use of newer engines and equipment would result in less fuel combustion and energy consumption.

Additionally, certain incidental construction-source energy efficiencies would likely accrue through implementation of California regulations and best available control measures (BACM). More specifically, California Code of Regulations Title 13, Motor Vehicles, section 2449(d)(3) Idling, limits idling times of construction vehicles to no more than five minutes, thereby precluding unnecessary and wasteful consumption of fuel due to unproductive idling of construction equipment. To this end, “grading plans shall reference the requirement that a sign shall be posted on-site stating that construction workers need to shut off engines at or before five minutes of idling.” In this manner, construction equipment operators are informed that engines are to be turned off at or prior to five minutes of idling. Enforcement of idling limitations is realized through periodic site inspections conducted by County building officials, and/or in response to citizen complaints.

Indirectly, construction energy efficiencies and energy conservation would be achieved for the proposed development through energy efficiencies realized from bulk purchase, transport and use of construction materials.

A full analysis related to the energy needed to form construction materials is not included in this analysis due to a lack of detailed Project-specific information on construction materials. At this time an analysis of the energy needed to create Project-related construction materials would be extremely speculative and thus has not been prepared.

In general, the construction processes promote conservation and efficient use of energy by reducing raw materials demands, with related reduction in energy demands associated with raw materials extraction, transportation, processing and refinement. Use of materials in bulk reduces energy demands associated with preparation and transport of construction materials as transport and disposal of construction waste and solid waste in general, with corollary reduced demands on area landfill capacities and energy consumed by waste transport and landfill operations.

4.3.6 SUMMARY

The estimated power cost of on-site electricity usage during the construction of the proposed Project is assumed to be around \$82,246.32. Additionally, based on the assumed power cost, it

is estimated that the total electricity usage during construction, after full Project build-out, is calculated to be around 1,028,079 kWh.

Construction equipment used by the Project would result in single event consumption of approximately 198,055 gallons of diesel fuel. Construction equipment use of fuel would not be atypical for the type of construction proposed because there are no aspects of the Project’s proposed construction process that are unusual or energy-intensive, and Project construction equipment would conform to the applicable CARB emissions standards, acting to promote equipment fuel efficiencies.

CCR Title 13, Title 13, Motor Vehicles, section 2449(d)(3) Idling, limits idling times of construction vehicles to no more than 5 minutes, thereby precluding unnecessary and wasteful consumption of fuel due to unproductive idling of construction equipment. Best available control measures inform construction equipment operators of this requirement. Enforcement of idling limitations is realized through periodic site inspections conducted by County building officials, and/or in response to citizen complaints.

Construction worker trips for full construction of the proposed Project would result in the estimated fuel consumption of 12,978 gallons of fuel. Additionally, fuel consumption from construction vendor trips (medium and heavy-duty trucks) will total approximately 156,901 gallons. Diesel fuel would be supplied by County and regional commercial vendors. Indirectly, construction energy efficiencies and energy conservation would be achieved through the use of bulk purchases, transport and use of construction materials. The 2016 IEPR released by the California Energy Commission has shown that fuel efficiencies are getting better within on and off-road vehicle engines due to more stringent government requirements (31). As supported by the preceding discussions, Project construction energy consumption would not be considered inefficient, wasteful, or otherwise unnecessary.

4.4 OPERATIONAL ENERGY DEMANDS

Energy consumption in support of or related to Project operations would include transportation energy demands (energy consumed by employee and patron vehicles accessing the Project site) and facilities energy demands (energy consumed by building operations and site maintenance activities).

4.4.1 TRANSPORTATION ENERGY DEMANDS

Energy that would be consumed by Project-generated traffic is a function of total VMT and estimated vehicle fuel economies of vehicles accessing the Project site.

LIGHT DUTY AUTOS

With respect to estimated VMT, and based on the trip frequency and trip length methodologies cited in the Project’s Air Quality Impact Analysis, the Project would generate an estimated 31,768,868 annual VMT along area roadways for all passenger cars with full build-out of the Project (26). As generated by EMFAC 2014, an aggregated fuel economy of LDAs ranging from model year 1974 to model year 2018 are estimated to have a fuel efficiency of 27.75 mpg. Table

4-7 provides an estimated range of annual fuel consumption resulting from Project generated LDAs. Based on Table 4-7, it is estimated that 1,144,824 gallons of fuel will be consumed from Project generated LDA trips.

TABLE 4-7: PROJECT-GENERATED PASSENGER CAR TRAFFIC ANNUAL FUEL CONSUMPTION

Annual Vehicle Miles Traveled	Average Vehicle Fuel Economy (mpg)	Estimated Annual Fuel Consumption (gallons)
31,768,868	27.75	1,144,824

LIGHT-HEAVY DUTY TRUCKS

With respect to estimated VMT, and based on the trip frequency and trip length methodologies cited in the Project’s Air Quality Impact Analysis, the Project would generate an estimated 6,292,203 annual VMT along area roadways for all LHD trucks with full build-out of the Project (26). As generated by EMFAC 2014, an aggregated fuel economy of LHD trucks ranging from model year 1974 to model year 2018 are estimated to have a fuel efficiency of 14.08 mpg. Table 4-8 provides an estimated range of annual fuel consumption resulting from Project generated LHD trucks. Based on Table 4-8, it is estimated that 446,889 gallons of fuel will be consumed from Project generated LHD truck trips.

TABLE 4-8: PROJECT-GENERATED LHD TRUCK TRAFFIC ANNUAL FUEL CONSUMPTION

Annual Vehicle Miles Traveled	Average Vehicle Fuel Economy (mpg)	Estimated Annual Fuel Consumption (gallons)
6,292,203	14.08	446,889

MEDIUM-HEAVY DUTY TRUCKS

With respect to estimated VMT, and based on the trip frequency and trip length methodologies cited in the Project’s Air Quality Impact Analysis, the Project would generate an estimated 4,924,129 annual VMT along area roadways for all MHD trucks with full build-out of the Project (26). As generated by EMFAC 2014, an aggregated fuel economy of MHD trucks ranging from model year 1974 to model year 2018 are estimated to have a fuel efficiency of 8.5 mpg. Table 4-9 provides an estimated range of annual fuel consumption resulting from Project generated MHD trucks. Based on Table 4-9, it is estimated that 579,309 gallons of fuel will be consumed from Project generated MHD truck trips.

TABLE 4-9: PROJECT-GENERATED MHD TRUCK TRAFFIC ANNUAL FUEL CONSUMPTION

Annual Vehicle Miles Traveled	Average Vehicle Fuel Economy (mpg)	Estimated Annual Fuel Consumption (gallons)
4,924,129	8.5	579,309

HEAVY-HEAVY DUTY TRUCKS

With respect to estimated VMT, and based on the trip frequency and trip length methodologies cited in the Project’s Air Quality Impact Analysis, the Project would generate an estimated

12,816,860 annual VMT along area roadways for all HHD trucks with full build-out of the Project (26). As generated by EMFAC 2014, an aggregated fuel economy of HHD trucks ranging from model year 1974 to model year 2018 are estimated to have a fuel efficiency of 5.85 mpg. Table 4-10 provides an estimated range of annual fuel consumption resulting from Project generated HHD trucks. Based on Table 4-10, it is estimated that 2,190,916 gallons of fuel will be consumed from Project generated HHD truck trips.

TABLE 4-10: PROJECT-GENERATED HHD TRUCK TRAFFIC ANNUAL FUEL CONSUMPTION

Annual Vehicle Miles Traveled	Average Vehicle Fuel Economy (mpg)	Estimated Annual Fuel Consumption (gallons)
12,816,860	5.85	2,190,916

As summarized on Table 4-11, the Project will result in 55,802,059 annual VMT and an estimated annual fuel consumption of 4,361,939 gallons of fuel.

TABLE 4-11: PROJECT-GENERATED TRAFFIC ANNUAL FUEL CONSUMPTION (ALL VEHICLES)

Vehicle Type	Annual Miles Traveled	Estimated Annual Fuel Consumption (gallons)
Light Duty Autos	31,768,868	1,144,824
LHD Trucks	6,292,203	446,889
MHD Trucks	4,924,129	579,309
HHD Trucks	12,816,860	2,190,916
Total (All Vehicles)	55,802,059	4,361,939

4.4.2 FACILITY ENERGY DEMANDS

Project building operations and Project site maintenance activities would result in the consumption of natural gas and electricity. Natural gas would be supplied to the Project by The Gas Company; electricity would be supplied to the Project by Southern California Edison. Annual natural gas and electricity demands of the Project are summarized in Table 4-12.

Energy use in buildings is divided into energy consumed by the built environment and energy consumed by uses that are independent of the construction of the building such as in plug-in appliances. In California, the California Building Standards Code Title 24 governs energy consumed by the built environment, mechanical systems, and some types of fixed lighting (32). Non-building energy use, or “plug-in” energy use can be further subdivided by specific end-use (refrigeration, cooking, appliances, etc.).

TABLE 4-12: PROJECT ANNUAL OPERATIONAL ENERGY DEMAND SUMMARY

Natural Gas Demand	kBTU/year
General Light Industrial	7,529,160
General Office Building	652,500
Unrefrigerated Warehouse - No Rail	1,175,520
Mini-Storage	180,849
Total Project Natural Gas Demand	8,538,029
Electricity Demand	kWh/year
General Light Industrial	2,452,790
General Office Building	2,045,440
Unrefrigerated Warehouse - No Rail	1,623,520
Mini-Storage	249,773
Total Project Electricity Demand	6,371,523

4.4.3 OPERATIONAL ENERGY EFFICIENCY/CONSERVATION MEASURES

Energy efficient/energy conserving design features and operational programs that would be implemented under the Project are summarized below. Also noted in the following discussions, energy efficiency/energy conservation attributes of the Project would be complemented by increasingly stringent state and federal regulatory actions addressing vehicle fuel economies and vehicle emissions standards; and enhanced building/utilities energy efficiencies mandated under California building codes (e.g., Title24, California Green Building Code).

The Project would also not result in a substantial increase in demand or transmission service, resulting in the need for new or expanded sources of energy supply or new or expanded energy delivery systems or infrastructure.

Enhanced Vehicle Fuel Efficiencies

Estimated annual fuel consumption estimates presented previously in Table 4-11 represent likely potential maximums that would occur in the Project. Under subsequent future conditions, average fuel economies of vehicles accessing the Project site can be expected to improve as older, less fuel efficient vehicles are removed from circulation, and in response to fuel economy and emissions standards imposed on newer vehicles entering the circulation system.

4.5 SUMMARY

4.5.1 TRANSPORTATION ENERGY DEMANDS

Annual vehicular trips and related VMT generated by the Project would result in an estimated 1,144,824 gallons of fuel consumption per year for LDAs. Additionally, the Project would result in an estimated 446,889 gallons of fuel consumption per year for LHD trucks. In regards to MHD trucks, the Project would result in an estimated 579,309 gallons of fuel consumption per year. For HHD trucks an estimated 2,190,916 gallons of fuel consumption per year is estimated for the

year 2020. The total estimated annual fuel consumption from Project generated VMT would result in a fuel demand 4,361,939 gallons of fuel.

Fuel would be provided by current and future commercial vendors. Trip generation and VMT generated by the Project are consistent with other warehouse uses of similar scale and configuration, as reflected respectively in the Institute of Transportation Engineers (ITE) Trip Generation Manual (10th Ed., 2017); and California Emissions Estimator Model (CalEEMod) v2016.3.2. That is, the Project does not propose uses or operations that would inherently result in excessive and wasteful vehicle trips and VMT, nor associated excess and wasteful vehicle energy consumption.

Enhanced fuel economies realized pursuant to federal and state regulatory actions, and related transition of LDVs and HDVs to alternative energy sources (e.g., electricity, natural gas, bio fuels, hydrogen cells) would likely decrease future gasoline fuel demands per VMT. Location of the Project proximate to regional and local roadway systems tends to reduce VMT within the region, acting to reduce regional vehicle energy demands. The Project would also implement sidewalks, facilitating and encouraging pedestrian access. Facilitating pedestrian and bicycle access would reduce VMT and associated energy consumption. As supported by the preceding discussions, Project transportation energy consumption would not be considered inefficient, wasteful, or otherwise unnecessary.

4.5.2 FACILITY ENERGY DEMANDS

Project facility operational energy demands are estimated at: 9,538,029 kBTU/year of natural gas; and 6,371,523 kWh/year of electricity. Natural gas would be supplied to the Project by The Gas Company; electricity would be supplied by Southern California Edison. The Project proposes conventional warehouse uses reflecting contemporary energy efficient/energy conserving designs and operational programs. Uses proposed by the Project are not inherently energy intensive, and the Project energy demands in total would be comparable to, or less than, other warehouse projects of similar scale and configuration.

The Project would exceed the incumbent Title 24 standards by a minimum of three percent as previously discussed. Based on the preceding, Project facilities energy demands and energy consumption would not be considered inefficient, wasteful, or otherwise unnecessary.

4.6 CONCLUSIONS

As supported by the preceding analyses, Project construction and operations would not result in the inefficient, wasteful or unnecessary consumption of energy. Further, the energy demands of the Project can be accommodated within the context of available resources and energy delivery systems. The Project would therefore not cause or result in the need for additional energy producing or transmission facilities. The Project would not engage in wasteful or inefficient uses of energy and aims to achieve energy conservations goals within the State of California. Notwithstanding, the Project proposes warehousing land use and will not have any long-term effects on an energy provider's future energy development or future energy conservation strategies.

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6 CERTIFICATION

The contents of this air study report represent an accurate depiction of the environmental impacts associated with the proposed Altitude Business Center Project. The information contained in this air quality impact report is based on the best available data at the time of preparation. If you have any questions, please contact me directly at (949) 336-5987.

Haseeb Qureshi
Senior Associate
URBAN CROSSROADS, INC.
260 E. Baker, Suite 200
Costa Mesa, CA 92626
(949) 336-5987
hqureshi@urbanxroads.com

EDUCATION

Master of Science in Environmental Studies
California State University, Fullerton • May, 2010

Bachelor of Arts in Environmental Analysis and Design
University of California, Irvine • June, 2006

PROFESSIONAL AFFILIATIONS

AEP – Association of Environmental Planners
AWMA – Air and Waste Management Association
ASTM – American Society for Testing and Materials

PROFESSIONAL CERTIFICATIONS

Environmental Site Assessment – American Society for Testing and Materials • June, 2013
Planned Communities and Urban Infill – Urban Land Institute • June, 2011
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APPENDIX 3.1:
CALEEMOD EMISSIONS MODEL OUTPUTS

APPENDIX 3.2:
EMFAC 2014 MODEL OUTPUTS