SENT VIA E-MAIL:

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Mitigated Negative Declaration (MND) for the Proposed Hellman Ranch Gas Plant Project

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The following comments are meant as guidance for the Lead Agency and should be incorporated into the Final MND.

South Coast AQMD Staff's Summary of Project Description

The Lead Agency proposes to construct and operate a one million standard cubic foot per day (mmscfd) gas plant with two gas scrubbers, two main gas compressors, two recycle compressors, one pressure swing absorption unit, five microturbines, one absorption chiller, one air-chilled heat exchanger, two main gas compressor discharge heat exchangers, two recycle gas compressor discharge heat exchangers, one switch gear, two transformers, and one sales gas compressor within the existing Hellman Ranch Oil and Gas Production Facility (Proposed Project). The Proposed Project is located on the northeast corner of Pacific Coast Highway and First Street within the City of Seal Beach. Construction is anticipated to take six to eight months².

South Coast AQMD Staff's Summary of the Air Quality Analysis

In the Air Quality Analysis Section of the MND, the Lead Agency quantified the Proposed Project's construction and operational emissions and compared those emissions to South Coast AQMD's recommended regional and localized air quality CEQA significance thresholds. Based on the analyses, the Lead Agency found that the Proposed Project's regional and localized air quality impacts would be less than significant³.

Responsible Agency and South Coast AQMD Permits

In the MND, the Lead Agency stated that new air permits will be required for the construction and operations of the Proposed Project⁴. South Coast AQMD is a Responsible Agency for the Proposed Project (CEQA Guidelines Section 15381) since implementation of the Proposed Project requires permits from South Coast AQMD. Therefore, the Lead Agency should identify South Coast AQMD as a Responsible Agency for the Proposed Project in the Final MND.

¹ MND. Appendix B: Detailed Project Description. Table 1: Major Gas Plant Equipment Specifications. Page 8.

² MND. Page 6.

³ MND. Pages 14 through 16.

⁴ MND Page 7.

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Implementation of the Proposed Project requires permits from South Coast AQMD. However, at the time of the release of the MND, South Coast AQMD has not received permit applications for the Proposed Project at the Hellman Properties, LLC Site (South Coast AQMD Facility ID No.: 47708). It is important that impacts from the permits need to be fully and adequately evaluated and disclosed as required under CEQA Guidelines Section 15096(b). The assumptions in the air quality analysis in the Final MND will be used as the basis for evaluating the permits under CEQA and imposing permit conditions and limits.

Federal, State, and South Coast AQMD Rules and Regulations

The MND included discussions of South Coast AQMD Rule 402 – Nuisance⁵, Rule 403 – Fugitive Dust⁶, and Rule 1173 – Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants⁷. Additional federal, state, and South Coast AQMD rules and regulations may apply to the implementation of the Proposed Project. Therefore, it is recommended that the Lead Agency evaluate applicability of the following rules and regulations for inclusion in the Final MND.

U.S. Code of Federal Regulations Title 40 Chapter 60 – New Source Performance Standards

- Subpart OOOOa Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution for which Construction, Modification or Reconstruction Commenced after September 18, 2015⁸
- Subpart GG Standards for Stationary Gas Turbines⁹
- Subpart KKKK Standards of Performance for Stationary Combustion Turbines¹⁰
- Subpart IIII Standards of Performance for Stationary Compression Ignition Internal Combustion Engines¹¹
- Subpart JJJJ Standards of Performance for Stationary Spark Ignition Internal Combustion Engines¹²

U.S. Code of Federal Regulations Title 40 Chapter 63 – National Emission Standards for Hazardous Air Pollutants

South Coast AQMD. Rule 402 – Nuisance. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf.

⁷ South Coast AQMD. Rule 1173 – Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1173.pdf.

⁹ U.S. Code of Federal Regulations. Title 40 Chapter 60 Subpart GG – Standards for Stationary Gas Turbines. Accessed at: https://www.epa.gov/stationary-sources-air-pollution/stationary-gas-and-combustion-turbines-new-source-performance.

South Coast AQMD. Rule 403 – Fugitive Dust. Accessed at: https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403.pdf.

⁸ U.S. Code of Federal Regulations. Title 40 Chapter 60 Subpart OOOOa – Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution for which Construction, Modification or Reconstruction Commenced after September 18, 2015. Accessed at: https://www.epa.gov/stationary-sources-air-pollution/crude-oil-and-natural-gas-production-transmission-and-distribution.

¹⁰ U.S. Code of Federal Regulations. Title 40 Chapter 60 Subpart KKKK – Standards of Performance for Stationary Combustion Turbines. Accessed at: https://www.epa.gov/stationary-sources-air-pollution/stationary-gas-and-combustion-turbines-new-source-performance.

U.S. Code of Federal Regulations. Title 40 Chapter 60 Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines. Accessed at: https://www.epa.gov/stationary-engines/new-source-performance-standards-stationary-compression-ignition-internal-0.

¹² U.S. Code of Federal Regulations. Title 40 Chapter 60 Subpart JJJJ – Standards of Performance for Stationary Spark Ignition Internal Combustion Engines. Accessed at: https://www.epa.gov/stationary-engines/new-source-performance-standards-stationary-spark-ignition-internal-combustion-0.

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• Subpart HH – National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities¹³

- Subpart HHH National Emission Standards for Hazardous Air Pollutants from Natural Gas Transmission and Storage Facilities¹⁴
- Subpart YYYY National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines¹⁵
- Subpart ZZZZ National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines¹⁶

California Code of Regulations (CCC) Title 17. Public Health Division; Division 3. Air Resources; Chapter 1. Air Resources Board

- Subchapter 10 Climate Change; Article 4 Regulations to Achieve Greenhouse Gas Emission Reductions; Subarticle 13. Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities¹⁷
 - Sections 95665-956777 Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities
- Subchapter 7.5 Airborne Toxic Control Measures (ATCM)¹⁸
 - o Section 93115 ATCM for Stationary Compression Ignition Engines
 - Section 93116 ATCM for Diesel Particulate Matter from Portable Engines Rated at 50 Horsepower and Greater

South Coast AQMD Regulation XI – Source Specific Standards

- Rule 1148.1 Oil and Gas Production Wells¹⁹
- Rule 1134 Emission of Oxides of Nitrogen from Stationary Gas Turbines²⁰
- Rule 1110.2 Emissions from Gaseous and Liquid Fueled Engines²¹

U.S. Code of Federal Regulations. Title 40 Chapter 63 Subpart HH – National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities Accessed at: https://www.epa.gov/stationary-sources-air-pollution/oil-and-natural-gas-production-facilities-national-emission.

¹⁴ U.S. Code of Federal Regulations. Title 40 Chapter 63 Subpart HHH – National Emission Standards for Hazardous Air Pollutants from Natural Gas Transmission and Storage Facilities Accessed at: https://www.epa.gov/stationary-sources-air-pollution/natural-gas-transmission-and-storage-facilities-national-emission.

¹⁵ U.S. Code of Federal Regulations. Title 40 Chapter 63 Subpart YYYY – National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines. Accessed at: https://www.epa.gov/stationary-sources-air-pollution/stationary-combustion-turbines-national-emission-standards.

¹⁶ U.S. Code of Federal Regulations. Title 40 Chapter 63 Subpart ZZZZ – National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. Accessed at: https://www.epa.gov/stationary-engines/national-emission-standards-hazardous-air-pollutants-reciprocating-internal-0.

¹⁷ California Code of Regulations Title 17. Public Health Division; Division 3. Air Resources; Chapter 1. Air Resources Board. Subarticle 13. Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities. Accessed at: https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991 https://govt.westlaw.com/calregs/Browse/Home/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991 https://govt.westlaw.com/calregs/Browse/Home/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991 https://govt.westlaw.com/calregs/Browse/Home/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991 https://govt.westlaw.com/calregs/Browse/Home/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991 https://govt.westlaw.com/calregs/Browse/Home/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991 https://govt.westlaw.com/calregs/Browse/Home/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991 https://govt.westlaw.com/calregs/Browse/Home/CaliforniaCodeofRegulations?guid=I401BB8146DA14B519A991

¹⁸ California Code of Regulations Title 17. Public Health Division; Division 3. Air Resources; Chapter 1. Air Resources Board. Subarticle 7.5. Airborne Toxic Control Measures. Accessed at: https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=129272FD0D60811DE88AE
DDE29ED1DC0A&originationContext=documenttoc&transitionType=Default&contextData=(sc.Default).

¹⁹ South Coast AQMD. Rule 1148.1 – Oil and Gas Production Wells. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1148-1.pdf.

South Coast AQMD. Rule 1134 – Emission of Oxides of Nitrogen from Stationary Gas Turbines. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1134.pdf.

South Coast AQMD. Rule 1110.2 – Emissions from Gaseous and Liquid Fueled Engines. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1110-2.pdf.

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South Coast AQMD Regulation XIII - New Source Review

- Rule 1303 Requirements²²
- Rule 1306 Emission Calculations²³
- Rule 1307 Emission Offsets²⁴
- Rule 1309 Emission Reduction Credits²⁵

South Coast AQMD Regulation XIV – Toxics and Other Non-Criteria Pollutants

- Rule 1401 New Source Review of Toxic Air Containments²⁶
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines²⁷

Conclusion

Pursuant to CEQA Guidelines Section 15074, prior to approving the Proposed Project, the Lead Agency shall consider the MND for adoption together with any comments received during the public review process. Please provide South Coast AQMD with written responses to all comments contained herein prior to the adoption of the Final MND. When responding to issues raised in the comments, responses should provide sufficient details giving reasons why specific comments and suggestions are not accepted. There should be good faith, reasoned analysis in response. Conclusory statements unsupported by factual information do not facilitate the purpose and goal of CEQA on public disclosure and are not meaningful, informative, or useful to decision makers and the public who are interested in the Proposed Project.

South Coast AQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact Margaret Isied, Assistant Air Quality Specialist, at misied@aqmd.gov, should you have any questions.

Sincerely,

Lijin Sun

Lijin Sun, J.D. Program Supervisor, CEQA IGR Planning, Rule Development & Area Sources

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²² South Coast AQMD. Rule 1306 – Requirements. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xiii/rule-1303-requirements.pdf.

²³ South Coast AQMD. Rule 1306 – Emission Calculations. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xiii/rule-1306-emission-calculations.pdf.

²⁴ South Coast AQMD. Rule 1307 – Emission Offsets. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xiii/rule-1307-emission-offset.pdf.

²⁵ South Coast AQMD. Rule 1309 – Emission Reduction Credits. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xiii/rule-1309.pdf.

²⁶ South Coast AQMD. Rule 1401 – New Source Review of Toxic Air Contaminants. Accessed at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf.

²⁷ South Coast AQMD. Rule 1470 – Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines. Accessed at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf.