

ATTACHMENT F

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Attachment 1 to the Governing Board Resolution for:

**Final Subsequent Environmental Assessment for Proposed Amended Rule 1135 –
Emissions of Oxides of Nitrogen from Electricity Generating Facilities**

Findings and Statement of Overriding Considerations

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Findings and Statement of Overriding Considerations

Introduction

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1.0 Introduction

Proposed Amended Rule (PAR) 1135 – Emissions of Oxides of Nitrogen from Electricity Generating Facilities, is considered a “project” as defined by the California Environmental Quality Act (CEQA). [Public Resources Code Section 21000 et seq.]. Specifically, CEQA requires: 1) the potential adverse environmental impacts of proposed project to be evaluated; and 2) feasible methods to reduce or avoid any identified significant adverse environmental impacts of this project to also be evaluated. Public Resources Code Section 21061.1 and CEQA Guidelines Section 15364 define "feasible" as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors."

Since the proposed project is comprised of a South Coast AQMD-proposed amended rule, the South Coast AQMD has the greatest responsibility for carrying out or approving the project as a whole, which may have a significant effect upon the environment, and is the most appropriate public agency to act as lead agency. [Public Resources Code Section 21067 and CEQA Guidelines Section 15051(b)].¹

The proposed project amends the January 2022 version of Rule 1135 and proposes revisions specific to electric generating units located on Santa Catalina Island which will: 1) update nitrogen oxides (NOx) emission limits and compliance dates; 2) establish provisions for monitoring, reporting, and recordkeeping for near zero emission (NZE) electric generating units without Continues Emission Monitoring System (CEMS); 3) extend the deadline for prohibiting the installation of new diesel internal combustion engines from January 1, 2024, to January 1, 2028 or six months after any applicable extensions; 4) prohibit the installation of more than three new diesel internal combustion engines with a cumulative rating of 5.5 megawatts (MW); 5) prohibit the installation of equipment that does not meet the definition of a Santa Catalina Island NZE electric generating unit or a Santa Catalina Island zero emission (ZE) electric generating unit after January 1, 2028 or six months after any applicable extensions; 6) require the installation of Santa Catalina Island NZE and/or ZE electric generating units by January 1, 2030 or six months after any applicable extensions with a minimum cumulative rating of 1.8 MW, excluding the highest rated Santa Catalina Island NZE and/or ZE electric generating unit, solar photovoltaic cells, and battery storage; 7) remove all prime power diesel internal combustion engines for which installation was completed earlier than Date of Adoption from service by January 1, 2030 or six months after any applicable extensions; 8) require a feasibility analysis (e.g., progress in procuring and installing electric generating units) to be conducted for the 13 tons per year (tpy) and six tpy NOx emission limits by January 1, 2028 and January 1, 2033, respectively; and 9) update the time extension provision by including more specific criteria needed for approval, allowing the electricity generating facility located on Santa Catalina Island to request time extensions for extenuating circumstances (e.g., unforeseen construction interruptions and/or supply chain disruptions) for each compliance date or according to the feasibility analyses for meeting the 13 tpy and six tpy NOx emission limits, and making requests for time extensions available for public review.

The South Coast AQMD, as Lead Agency for the proposed project, prepared a Subsequent Environmental Assessment (SEA) with significant impacts to conduct an environmental review of PAR 1135 pursuant to CEQA Guidelines Section 15187. The SEA is a substitute CEQA document

¹ CEQA Guidelines refers to California Code of Regulations, Title 14, Section 15000 and following.

prepared in lieu of a Subsequent Environmental Impact Report (EIR) with significant impacts [CEQA Guidelines Section 15162], pursuant to the South Coast AQMD's Certified Regulatory Program [Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l); codified in South Coast AQMD Rule 110]. Pursuant to CEQA Guidelines Sections 15152, 15162, and 15385, the SEA tiers off of and is a subsequent document to the Final Mitigated SEA for Rule 1135 which was certified on November 2, 2018 (referred to herein as the November 2018 Final Mitigated SEA for Rule 1135).

The purpose of the November 2018 amendments to Rule 1135 was to reduce NO_x emissions from Regional Clean Air Incentives Market (RECLAIM) and non-RECLAIM electricity generating facilities which are owned or operated by an investor-owned electric utility, a publicly owned electric utility, or have electric generating units with a combined generation capacity of 50 MW or more of electrical power for distribution in the state or local electrical grid system. The November 2018 Final Mitigated SEA for Rule 1135 analyzed the environmental impacts associated with the activities that six affected facilities (referred to as Facilities 1, 2, 3, 4, 5, and 6) were expected to undertake to ensure compliance with amended Rule 1135. While the reduction of NO_x emissions was expected to create an environmental benefit, the November 2018 amendments to Rule 1135 were anticipated to create potentially significant adverse environmental impacts for the topic of hazards and hazardous materials due to the storage and use of aqueous ammonia. As such, mitigation measures were crafted to reduce the potentially significant adverse hazards and hazardous materials impacts to less than significant levels. No other environmental topic areas were identified as having potentially significant adverse environmental impacts. Because the November 2018 Final Mitigated SEA for Rule 1135 concluded that the project will not have a significant adverse impact on the environment after mitigation, mitigation measures were included as a condition of approval of this project. Thus, a Mitigation Monitoring and Reporting Plan, pursuant to Public Resources Code Section 21081.6 and CEQA Guidelines Section 15097, was required and adopted for this project. However, Findings pursuant to CEQA Guidelines Section 15091 and a Statement of Overriding Considerations pursuant to CEQA Guidelines Section 15093 were not required or adopted for the November 2018 version of Rule 1135.

Because this is a subsequent document, the baseline is the project analyzed in the November 2018 Final Mitigated SEA for Rule 1135. The 2018 amendments to Rule 1135 projected an overall NO_x emission reduction of approximately 1.7 tons per day (tpd) from the six facilities identified as potentially needing modifications in order to achieve the emission limits in Rule 1135. Of these affected facilities, all but one facility, the electricity generating facility located on Santa Catalina Island (referred to as Facility 2), has either made modifications to achieve the emission limits in Rule 1135 or is no longer subject to Rule 1135 requirements. Relative to Facility 2, with the 13 tpy NO_x limit by January 1, 2026 (with a potential extension up to three years), the 2018 amendments to Rule 1135 initially projected approximately 57 tpy of NO_x emission reductions (equivalent to 0.16 tpd) would be achieved by the electricity generating facility located on Santa Catalina Island by January 1, 2026 (with a potential extension up to three years). Over 90% of the power generated at Facility 2 is from the operation of six diesel internal combustion engines and these six diesel engines were last modified in 2003 to install Selective Catalytic Reduction (SCR) technology. No other modifications have been made at Facility 2 to address the 2018 amendments to Rule 1135. Currently, the annual NO_x emissions from Facility 2 are 71.3 tpy which is greater

than the 70 tpy this facility was emitting at the time the November 2018 Final Mitigated SEA was prepared.

The SEA was prepared because PAR 1135 contains new information of substantial importance which was not known and could not have been known at the time the November 2018 Final Mitigated SEA for Rule 1135 was certified and the project will have significant effects that were not previously discussed. [CEQA Guidelines Section 15162(a)(3)(A)].

The SEA, which includes a project description and analysis of potential adverse environmental impacts that could be generated from PAR 1135, concluded to have generally the same or similar environmental effects that were previously examined in the November 2018 Final Mitigated SEA for Rule 1135. However, the air quality impacts from PAR 1135 will cause delayed NO_x emission reductions, interim exceedances of the air quality significance thresholds for project-specific changes in the 24-hour average concentrations of particulate matter with an aerodynamic diameter of less than 2.5 microns (PM_{2.5}) and particulate matter with an aerodynamic diameter of less than 10 microns (PM₁₀), and interim operational cancer risks which will be more severe than what was discussed in November 2018 Final Mitigated SEA. Specifically, the Final SEA for PAR 1135 concluded that significant and unavoidable adverse environmental impacts may occur for the topic of air quality during operation because: 1) the peak daily NO_x operational impacts associated with the delayed NO_x emission reductions would exceed the South Coast AQMD's daily NO_x operational significance threshold of 55 pounds per day until meeting the proposed 13 tpy NO_x limits by January 1, 2030 (with a potential extension up to six years); 2) project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀ would exceed the South Coast AQMD's significance threshold from January 1, 2028 (with a potential extension up to three years) to January 1, 2030 (with a potential extension up to six years); and 3) the operational cancer risk impacts would exceed the South Coast AQMD's significance threshold (i.e., 10 in a million) when meeting the 45 tpy, 30 tpy, and 13 tpy NO_x limits in PAR 1135. However, once the electricity generating facility located on Santa Catalina Island meets the 6 tpy NO_x limit in PAR 1135 on and after January 1, 2035 (with a potential extension up to six years), less than significant operational air quality impacts are expected. Therefore, pursuant to CEQA Guidelines Section 15252(a)(2)(A), an alternatives analysis was required and has been included in the Final SEA. However, no feasible mitigation measures were identified that would reduce or eliminate the significant adverse impacts for the air quality during operation. Thus, mitigation measures were not made a condition of approval of PAR 1135. Further, since no feasible mitigation measures were identified, a Mitigation, Monitoring, and Reporting Plan, pursuant to Public Resources Code Section 21081.6 and CEQA Guidelines 15097 is not required.

The Draft SEA was released and circulated for a 46-day public review and comment period from August 2, 2024 to September 17, 2024 and two comment letters were received during the comment period. None of the comment letters identified other potentially significant adverse impacts from the proposed project that should be analyzed and mitigated in the SEA. The comments and responses relative to the Draft SEA are included in Appendix E of the Final SEA.

In addition to incorporating the comment letters and the responses to comments, some modifications have been made to the Draft SEA to make it a Final SEA which include updates to reflect changes made to PAR 1135 after the public notice of availability of the Draft SEA. South

Coast AQMD staff evaluated the modifications made to PAR 1135 after the release of the Draft SEA for public review and comment and concluded that none of the revisions constitute significant new information, because: 1) no new significant environmental impacts would result from the proposed project; 2) there is no substantial increase in the severity of an environmental impact; 3) no other feasible project alternative or mitigation measure was identified that would clearly lessen the environmental impacts of the project and was considerably different from others previously analyzed; and 4) the Draft SEA did not deprive the public from meaningful review and comment. In addition, revisions to PAR 1135 and the analysis in response to verbal or written comments during the rule development process would not create new, avoidable significant effects. As a result, these revisions do not require recirculation of the Draft SEA pursuant to CEQA Guidelines Sections 15073.5 and 15088.5. Therefore, the Draft SEA has been revised to include the aforementioned modifications such that it is now the Final SEA. The Final SEA will be presented to the Governing Board prior to its October 4, 2024 public hearing (see Attachment I of the Governing Board package).

South Coast AQMD's certified regulatory program does not impose any greater requirements for making written findings for significant environmental effects than is required for an EIR under CEQA. When considering for approval a proposed project that has one or more significant adverse environmental effects, a public agency must make one or more written findings for each significant adverse effect, accompanied by a brief rationale for each finding. [Public Resources Code Section 21081 and CEQA Guidelines Sections 15065 and 15091]. The analysis in the Final SEA concluded that PAR 1135 has the potential to generate, significant adverse air quality impacts during operation which are more severe than what was previously analyzed in the November 2018 Final Mitigated SEA for Rule 1135 for air quality during operation.

For a proposed project with significant adverse environmental impacts, CEQA requires the lead agency to balance the economic, legal, social, technological, or other benefits of a proposed project against its significant unavoidable environmental impacts when determining whether to approve the proposed project. Under CEQA Guidelines Section 15093(a), "If the specific economic, legal, social, technological, or other benefits of a project outweigh the unavoidable significant adverse environmental effects, the adverse environmental effects may be considered 'acceptable.'" Thus, after adopting findings, the lead agency must also adopt a "Statement of Overriding Considerations" to approve a proposed project with significant adverse environmental effects.

2.0 CEQA Provisions Regarding Findings

CEQA generally requires agencies to make certain written findings before approving a proposed project with significant environmental impacts. South Coast AQMD is exempt from some of CEQA's requirements pursuant to its Certified Regulatory Program, but complies with its provisions where required or otherwise appropriate.

Relative to making Findings, CEQA Guidelines Section 15091 provides:

- (a) No public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those

significant effects, accompanied by a brief explanation of the rationale for each finding. The possible findings are:

- (1) Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.
 - (2) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
 - (3) Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the final EIR.
- (b) The findings required by subdivision (a) shall be supported by substantial evidence in the record.
 - (c) The finding in subdivision (a)(2) shall not be made if the agency making the finding has concurrent jurisdiction with another agency to deal with identified feasible mitigation measures or alternatives. The finding in subdivision (a)(3) shall describe the specific reasons for rejecting identified mitigation measures and project alternatives.
 - (d) When making the findings required in subdivision (a)(1), the agency shall also adopt a program for reporting on or monitoring the changes which it has either required in the project or made a condition of approval to avoid or substantially lessen significant environmental effects. These measures must be fully enforceable through permit conditions, agreements, or other measures.
 - (e) The public agency shall specify the location and custodian of the documents or other material which constitute the record of the proceedings upon which its decision is based.
 - (f) A statement made pursuant to Section 15093 does not substitute for the findings required by this section.

The “changes or alterations” referred to in CEQA Guidelines Section 15091(a)(1) may include a wide variety of measures or actions as set forth in CEQA Guidelines Section 15370, including:

- (a) Avoiding the impact altogether by not taking a certain action or parts of an action.
- (b) Minimizing impacts by limiting the degree or magnitude of the action and its implementation.
- (c) Rectifying the impact by repairing, rehabilitating, or restoring the impacted environment.
- (d) Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action.
- (e) Compensating for the impact by replacing or providing substitute resources or environments.

3.0 Summary of the Proposed Project

Rule 1135 is an industry-specific rule which applies to electric generating units (i.e., boilers, turbines, engines, etc.) that are at investor-owned electric utilities, publicly owned electric utilities, or have a generation capacity of at least 50 MW of electrical power for distribution in the state or local electrical grid system. Rule 1135 was adopted in August 1989 to reduce NO_x emissions from electricity generating facilities and has been amended three times with the last two amendments in November 2018 and January 2022.

Amendments to Rule 1135 were adopted on November 2, 2018 which established Best Available Retrofit Control Technology (BARCT) NO_x limits necessary for transitioning electric generating facilities subject to the RECLAIM to a command-and-control regulatory structure and to implement Control Measure CMB-05 – Further NO_x Reductions from RECLAIM Assessment of the 2016 Air Quality Management Plan (AQMP) and California State Assembly Bill (AB) 617. The 2018 amendments expanded Rule 1135 applicability to all electric generating units at RECLAIM NO_x, former RECLAIM NO_x, and non-RECLAIM NO_x electricity generating facilities. The amendments updated emission limits to reflect current BARCT levels at that time and to provide implementation timeframes for boilers, gas turbines, and internal combustion engines located on Santa Catalina Island. Additionally, the 2018 amendments to Rule 1135 established provisions for monitoring, reporting, and recordkeeping, and exemptions from specific provisions.

More recently, Rule 1135 was amended on January 7, 2022 to: 1) remove ammonia limits; 2) update provisions for CEMS; 3) include a reference to South Coast AQMD Rule 429.2 – Startup and Shutdown Exemption Provisions for Oxides of Nitrogen From Electricity Generating Facilities² to clarify startup and shutdown requirements; and 4) revise requirements for diesel internal combustion engines on Santa Catalina Island. At the time, stakeholders commented that an updated BARCT assessment was warranted due to the change in averaging time and that the BARCT assessment should emphasize ZE technologies. The adopted resolution directed South Coast AQMD staff to re-initiate rule development in 2022 which included a revised BARCT assessment for the electric generating units located on Santa Catalina Island with a specific focus on non-diesel alternatives as well as ZE and NZE technologies.

In December 2022, the South Coast AQMD adopted the 2022 AQMP which included a series of control measures to achieve the 2015 8-hour ozone national ambient air quality standards (NAAQS). In particular, Control Measure L-CMB-06: NO_x Emission Reductions from Electricity Generating Facilities, focused on large combustion sources and assessing low NO_x and ZE technologies for power generation, and specifically mentioned replacing existing diesel internal combustion engines with lower-emitting technologies.

Thus, additional amendments to Rule 1135 are currently proposed to address stakeholder comments raised during the January 2022 amendments and partially implement Control Measure L-CMB-06 of the 2022 AQMP. PAR 1135 proposes revisions specific to electricity generating units located on Santa Catalina Island which will: 1) update NO_x emission limits and compliance dates; 2) establish provisions for monitoring, reporting, and recordkeeping for NZE electric generating units without CEMS; 3) extend the deadline for prohibiting the installation of new

² South Coast AQMD, Rule 429.2, <http://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-429-2.pdf>

diesel internal combustion engines from January 1, 2024, to January 1, 2028 or six months after any applicable extensions; 4) prohibit the installation of more than three new diesel internal combustion engines with a cumulative rating of 5.5 MW; 5) prohibit the installation of equipment that does not meet the definition of a Santa Catalina Island NZE electric generating unit or a Santa Catalina Island ZE electric generating unit after January 1, 2028 or six months after any applicable extensions; 6) require the installation of Santa Catalina Island NZE and/or ZE electric generating units by January 1, 2030 or six months after any applicable extensions with a minimum cumulative rating of 1.8 MW, excluding the highest rated Santa Catalina Island NZE and/or ZE electric generating unit, solar photovoltaic cells, and battery storage; 7) remove all prime power diesel internal combustion engines for which installation was completed earlier than Date of Adoption from service by January 1, 2030 or six months after any applicable extensions; 8) require a feasibility analysis (e.g., progress in procuring and installing electric generating units) to be conducted for the 13 tpy and six tpy NOx emission limits by January 1, 2028 and January 1, 2033, respectively; and 9) update the time extension provision by including more specific criteria needed for approval, allowing the electricity generating facility located on Santa Catalina Island to request time extensions for extenuating circumstances (e.g., unforeseen construction interruptions and/or supply chain disruptions) for each compliance date or according to the feasibility analyses for meeting the 13 tpy and six tpy NOx emission limits, and making requests for time extensions available for public review.

When comparing the types of activities and environmental impacts resulting from the implementation of Rule 1135 amendments that were previously analyzed in the November 2018 Final Mitigated SEA, to the currently proposed changes which comprise PAR 1135, the type and extent of the physical changes are expected to be similar and to cause similar secondary adverse environmental impacts for the same environmental topic areas that were identified and analyzed in the November 2018 Final Mitigated SEA for Rule 1135. Thus, the proposed project is expected to have generally the same or similar effects that were previously examined in the November 2018 Final Mitigated SEA for Rule 1135. However, the air quality impacts from PAR 1135 will cause delayed NOx emission reductions, interim exceedances of the air quality significance thresholds for project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and interim operational cancer risks which will be more severe than what was discussed in November 2018 Final Mitigated SEA. Nonetheless, upon full implementation, PAR 1135 would be expected to reduce NOx emissions by 65.3 tpy by January 1, 2035 or after any applicable extensions.

4.0 Potentially Significant Adverse Impacts That Cannot be Reduced Below a Significant Level

The analysis in the Final SEA independently considered whether PAR 1135 would result in new significant impacts for any environmental topic areas previously concluded in the November 2018 Final Mitigated SEA for Rule 1135 to have either no significant impacts or less than significant impacts. The Final SEA for PAR 1135 identified the topic of air quality during operation as the only area in which the proposed project may temporarily cause significant and unavoidable adverse environmental impacts. No other significant adverse impacts were identified. The following discussion independently considers the currently proposed project (PAR 1135) and analyzes the incremental changes for operational air quality impacts, relative to the baseline which is the project analyzed in the November 2018 Final Mitigated SEA for Rule 1135.

Air Quality Impacts During Operation

For the electricity generating facility located on Santa Catalina Island, PAR 1135 proposes to: 1) remove the 50 tpy NO_x emission limit which has an expired compliance date of January 1, 2024; 2) delay the compliance date for the 45 tpy NO_x emission limit by two years from January 1, 2025 to January 1, 2027 (with a potential extension up to three years); 3) delay the compliance date for the 13 tpy NO_x emission limit by four years from January 1, 2026 to January 1, 2030 (with a potential extension up to six years); and 4) include new annual NO_x emission limits of 30 tpy and 6 tpy with compliance dates of January 1, 2028 (with a potential extension up to three years) and January 1, 2035 (with a potential extension up to six years), respectively. Thus, the analysis in the Final SEA estimated that implementation of PAR 1135 is expected to result in the following delayed NO_x emission reductions which vary according to compliance year and exceed the South Coast AQMD's daily NO_x operational significance threshold of 55 pounds per day:

- 21.3 tpy (equal to 116.71 lb/day) from January 1, 2024 to January 1, 2025;
- 26.3 tpy (equal to 144.11 lb/day) from January 1, 2025 to January 1, 2026;
- 58.3 tpy (equal to 319.45 lb/day) from January 1, 2026 to January 1, 2027 (with a potential extension up to three years);
- 32 tpy (equal to 175.34 lb/day) from January 1, 2027 (with a potential extension up to three years) to January 1, 2028 (with a potential extension up to three years); and
- 17 tpy (equal to 93.15 lb/day) from January 1, 2028 (with a potential extension up to three years) to January 1, 2030 (with a potential extension up to six years).

If any extension is granted for any proposed NO_x emission limits, the emission reductions will be delayed for a longer period of time. Overall, the peak daily NO_x operational impacts associated with the delayed NO_x emission reductions from implementing PAR 1135 are significant until January 1, 2030 (with a potential extension up to six years) over the short-term, but less than significant after January 1, 2030 (with a potential extension up to six years) over the long-term.

Implementation of PAR 1135 is also expected to result in the exceedance of the air quality significance thresholds for project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀ (i.e., 2.5 µg/m³, and 2.5 µg/m³, respectively) during the operation of electricity generating facility located on Santa Catalina Island when meeting the proposed 30 tpy NO_x limit by January 1, 2028 (with a potential extension up to three years). However, once this facility makes modifications necessary to achieve the proposed 13 tpy NO_x limit by January 1, 2030 (with a potential extension up to six years), the project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀ will no longer exceed the South Coast AQMD's thresholds of significance for these pollutants. Thus, significant operational air quality impacts are expected at this facility over the short-term from January 1, 2028 (with a potential extension up to three years) until January 1, 2030 (with a potential extension up to six years) due to exceedance of the air quality significance thresholds for project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀.

Lastly, the analysis in the Final SEA concluded exceedance of the air quality significance threshold for cancer risk (i.e., 10 in one million) during the operation of the electricity generating facility located on Santa Catalina Island to meet the 45 tpy, 30 tpy, and 13 tpy NO_x limits by January 1, 2027 (with a potential extension up to three years), January 1, 2028 (with a potential extension up to three years), and January 1, 2030 (with a potential extension up to six years), respectively. However, once this facility meets the 6 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years), the operational cancer risk would not exceed the South Coast AQMD significance threshold. Thus, significant operational impacts from toxic air contaminants are expected at this facility when operating equipment to comply with the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits. However, less than significant operational impacts from toxic air contaminants are expected once the electricity generating facility located on Santa Catalina Island meets the 6 tpy NO_x limit.

If significant adverse environmental impacts are identified, the CEQA document shall describe feasible mitigation measures that could minimize the significant adverse impacts of the proposed project. [CEQA Guidelines Section 15126.4]. Therefore, feasible mitigation measures are required to reduce operational air quality impacts. CEQA defines "feasible" as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors." [Public Resources Code Section 21061.1].

However, the reason PAR 1135 is proposing to update the annual NO_x emission limits and compliance dates at Facility 2 is because the facility cannot feasibly attain the current annual NO_x limits by the compliance dates adopted in the November 2018 and January 2022 versions of Rule 1135. Thus, there are no feasible mitigation measures that would eliminate or reduce the significant adverse operational air quality impacts for: 1) NO_x emissions until meeting the 13 tpy NO_x limit by January 1, 2030 (with a potential extension up to six years); 2) health risks when operating equipment to comply with the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits; and 3) project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀ from January 1, 2028 (with a potential extension up to three years) to January 1, 2030 (with a potential extension up to six years) to less than significant levels. Therefore, PAR 1135 is considered to have significant adverse unavoidable project-specific and cumulative air quality impacts during operation when meeting the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits.

5.0 Findings Regarding Potentially Significant Environmental Impacts

Public Resources Code Section 21081(a) and CEQA Guidelines Section 15091(a) provide that a public agency shall not approve or carry out a project with significant environmental effects unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. Additionally, the findings must be supported by substantial evidence in the record. [CEQA Guidelines Section 15091(b)]. Three potential findings can be made for potentially significant impacts:

Finding 1: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final SEA. [Public Resources Code Section 21081(a)(1) and CEQA Guidelines Section 15091(a)(1)].

Finding 2: Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency. [Public Resources Code Section 21081(a)(2) and CEQA Guidelines Section 15091(a)(2)].

Finding 3: Specific economic, legal, social, technological, or other considerations make infeasible the mitigation measures or project alternatives identified in the Final SEA. [Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3)].

As identified in the Final SEA and summarized in Section 4.0 of this attachment, PAR 1135 has the potential to create significant adverse operational air quality impacts. The South Coast AQMD Governing Board, therefore, makes the following findings regarding the proposed project. The Findings are supported by substantial evidence in the record as explained in each finding. These Findings will be included in the record of project approval and will also be noted in the Notice of Decision. The Findings made by the South Coast AQMD Governing Board are based on the following significant adverse impact identified in the Final SEA for PAR 1135:

Potential project-specific and cumulative delayed NO_x emission reductions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and cancer risks during operation exceed the South Coast AQMD's applicable significance air quality thresholds and cannot be mitigated to less than significant levels when meeting the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits. However, once the electricity generating facility located on Santa Catalina Island meets the 6 tpy NO_x limit on and after January 1, 2035 (with a potential extension up to six years) less than significant air quality impacts are expected during operation.

Finding and Explanation:

When comparing the types of activities and environmental impacts resulting from the implementation of Rule 1135 amendments that were previously analyzed in the November 2018 Final Mitigated SEA, to the currently proposed changes, PAR 1135 is anticipated to cause delayed NO_x emissions reductions due to: 1) removing the 50 tpy NO_x emission limit which has an expired compliance date of January 1, 2024; 2) delaying the compliance date for the 45 tpy NO_x emission limit by two years from January 1, 2025 to January 1, 2027 (with a potential extension up to three years); and 3) delaying the compliance date for the 13 tpy NO_x emission limit by four years from January 1, 2026 to January 1, 2030 (with a potential extension up to six years).

The Final SEA estimated these delayed NO_x emission reductions, which vary according to compliance year, would exceed the South Coast AQMD's daily NO_x operational significance threshold of 55 pounds per day until meeting the 13 tpy NO_x limits by January 1, 2030 (with a potential extension up to six years). However, PAR 1135 will eventually reduce the annual NO_x limits from 13 tpy to 6 tpy by January 1, 2035 (with a potential extension up to six years) which will result in an air quality and health benefit. Thus, the peak daily operational NO_x emissions impacts at Facility 2 from implementing PAR 1135 are significant until January 1, 2030 (with a potential extension up to six years) over the short-term, but less than significant after January 1, 2030 (with a potential extension up to six years) over the long-term.

The Final SEA also estimated significant operational air quality impacts at the electricity generating facility located on the Santa Catalina Island over the short-term from January 1, 2028 (with a potential extension up to three years) until January 1, 2030 (with a potential extension up to six years) due to exceedance of the air quality significance thresholds for project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀. However, once this facility makes modifications necessary to achieve the proposed 13 tpy NO_x limit by January 1, 2030 (with a potential extension up to six years), project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀ will no longer exceed the South Coast AQMD's thresholds of significance for these pollutants.

Moreover, the analysis in the Final SEA indicated potentially significant cancer risk impacts during the operation of electricity generating facility located on Santa Catalina Island to meet the 45 tpy, 30 tpy, and 13 tpy NO_x limits by January 1, 2027 (with a potential extension up to three years), January 1, 2028 (with a potential extension up to three years), and January 1, 2030 (with a potential extension up to six years), respectively. However, once this facility meets the 6 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years), the operational cancer risk would not exceed the South Coast AQMD significance threshold (i.e., 10 in a million).

Due to significant adverse air quality impacts during operation, feasible mitigation measures were required in the Final SEA to minimize the significant adverse impacts of the proposed project. However, the analysis in the Final SEA identified no feasible mitigation measures that would eliminate or reduce the significant adverse operational air quality impacts for: 1) NO_x emissions until meeting the 13 tpy NO_x limits by January 1, 2030 (with a potential extension up to six years); 2) project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀ from January 1, 2028 (with a potential extension up to three years) to January 1, 2030 (with a potential extension up to six years); and 3) health risks when operating equipment to comply with the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits to less than significant levels. Therefore, operational air quality impacts for NO_x emissions, project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks are found to be significant and unavoidable when meeting the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits. However, upon full implementation of PAR 1135 which will require attainment of the final 6 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years), less than significant operational air quality impacts are expected.

The Governing Board finds that: 1) the NO_x emissions from the electricity generating facility located on Santa Catalina Island currently exceed 50 tpy and as such, this facility cannot feasibly attain the current annual NO_x limits by the compliance dates adopted in the November 2018 and January 2022 versions of Rule 1135; and 2) there are no feasible mitigation measures that would eliminate or reduce the project-level or cumulative significant adverse operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels when meeting the proposed interim 45 tpy, 30 tpy, and 13 tpy NO_x limits [Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3)]. However, once this facility makes modifications necessary to achieve the proposed final 6

tpy NOx limit by January 1, 2035 (with a potential extension up to six years), less than significant air quality impacts are expected during operation.

5.1 Findings For Alternatives to the Proposed Project

A. Alternative A: No Project

Finding and Explanation:

The Final SEA analyzes a No Project Alternative, referred to as Alternative A, which consists of what would occur if the proposed project is not approved; in this case, not proposing amendments to Rule 1135. Under Alternative A, the electricity generating facility located on Santa Catalina Island would be subject to the following annual NOx limits in the January 2022 version of Rule 1135: 50 tpy by January 1, 2024; 45 tpy by January 1, 2025; and 13 tpy by January 1, 2026 (with a three-year extension option to meet 13 tpy by January 1, 2029). However, the facility has indicated that they cannot attain these annual NOx limits by their respective compliance dates. Currently, the annual NOx emissions from the electricity generating facility located on Santa Catalina Island already exceed the 50 tpy NOx limit which had a compliance date of January 1, 2024. Also, because the January 2022 version of Rule 1135 contains a prohibition to install new diesel engines after January 1, 2024, this facility would not be able to replace their existing diesel engines with new Tier 4 Final diesel engines to meet any of the annual NOx limits and compliance dates in the January 2022 version of Rule 1135. This means that the actual NOx emission reductions achieved from Alternative A would be fewer than originally projected for this facility.

The adopted resolution for 2022 amendments to Rule 1135 directed South Coast AQMD staff to re-initiate the rule development process and develop a proposal that included a revised BARCT assessment for the electric generating units located on Santa Catalina Island with a specific focus on non-diesel alternatives and ZE and NZE technologies. Therefore, the main objectives of the proposed project are to: 1) revise the BARCT assessment for the electric generating units located on Santa Catalina Island with a specific focus on non-diesel alternatives and ZE and NZE technologies; and 2) reduce the final NOx mass emission limit for the facility located on Santa Catalina Island.

Moreover, although potentially significant cancer risks are expected when attaining any of the annual NOx limits in Alternative A, less than significant impacts to operational cancer risk are expected once the requirement for attainment with the 6 tpy NOx limit by January 1, 2035 (with a potential extension up to six years) goes into effect for the proposed project.

Based on proceeding discussion, Alternative A is not environmentally superior to the proposed project. Furthermore, the No Project Alternative is infeasible because it neither meets the objectives of the proposed project nor takes into consideration the direction of adopted resolution during 2022 amendments to Rule 1135 to include a revised BARCT assessment for the electric generating units located on Santa Catalina Island with a specific focus on non-diesel alternatives and ZE and NZE technologies.

Because Alternative A is not environmentally superior to PAR 1135 and does not achieve the basic project objective, the Governing Board finds that the No Project Alternative is infeasible. [Public Resources Code 21081(a)(3); *California Native Plant Society v. City of Santa Cruz* (2009) 177 Cal.App.4th 957, 1000- 1001 (upholding finding of infeasibility where agency determined alternative failed to achieve project objective)].

B. Alternative B: More Stringent Proposed Project

Finding and Explanation:

The Final SEA analyzes Alternative B, which is more stringent than PAR 1135. Under Alternative B, in lieu of the 6 tpy NOx limit that is currently proposed in PAR 1135, the electricity generating facility located on Santa Catalina Island would have to comply with a more stringent NOx limit of 1.8 tpy by January 1, 2035, (with a six-year extension option to meet 6 tpy by January 1, 2041). All other elements would be the same under Alternative B as for PAR 1135.

Because the electricity generating facility affected by PAR 1135 is very unique, located on an island, and serving as the sole provider of power, including electricity, water movement, and waste systems, providing reliable and sufficient power is crucial to avoid blackouts and other public health issues related to polluted water and health hazards from biological waste exposure. Overall, the electricity generating facility located on Santa Catalina Island should consider several repower parameters including electricity demand, power reliability, transmission, grid stability, space limitations, fuel delivery and storage, and challenges for the deployment of new ZE/NZE technologies while trying to meet any proposed NOx emission limits. Under Alternative B, the final 1.8 tpy NOx limit would require increased quantities of propane to be delivered to the island on an annual basis and enough storage capacity for 30-days in case of unforeseen circumstances preventing the required daily deliveries by barge while avoiding any loss of power needs on the island. Compared to the proposed project, Alternative B would introduce uncertainty about whether the delivery can be consistently met and a potential lack of storage capacity.

Of the alternatives analyzed, Alternative B is the only alternative to the proposed project with less than significant operational cancer risk impacts when meeting its final annual NOx limit (e.g., 1.8 tpy). In addition, when compared to the proposed project which has a final NOx limit of 6 tpy by January 1, 2035 (with a potential extension up to six years) and less than significant impacts to operational cancer risk, Alternative B with its more stringent 1.8 tpy NOx limit by January 1, 2035 (with a potential extension up to six years), would result fewer operational cancer risk impacts. Nonetheless, both the 6 tpy NOx limit in PAR 1135 and 1.8 tpy NOx limit in Alternative B would result in less than significant operational cancer risk impacts. Moreover, Alternative B would result in the same quantity of delayed NOx emission reductions as PAR 1135; however, Alternative B would be the only alternative resulting in greater NOx emission reductions compared to the proposed project over the long term. Based upon above considerations, Alternative B would be considered the lowest toxic and environmentally superior alternative relative to the other alternatives and the proposed project.

The Governing Board finds that there are no feasible mitigation measures that would eliminate or reduce the project-level or cumulative significant adverse operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels when meeting the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits if Alternative B is implemented. As such, the Governing Board finds that Alternative B will not avoid or substantially lessen the significant operational air quality impacts as identified in the Final SEA. [Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3)]. However, under Alternative B, once this facility meets the proposed 1.8 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years), less than significant air quality impacts are expected during operation.

C. Alternative C: Less Stringent Proposed Project

I. Finding and Explanation:

The Final SEA analyzes Alternative C, which is less stringent than the proposed project. Alternative C adjusts elements in PAR 1135 to create a less stringent proposed project by removing the 45 tpy and 6 tpy NO_x limits; delaying the compliance date to attain 30 tpy NO_x limit for one year; including a new annual NO_x emission limit of 20 tpy by January 1, 2031 (with a potential extension up to three years); postponing the prohibition deadline to install a new diesel engine and install equipment that does not meet the definition of NZE or ZE electric generating unit for one year; delaying the compliance date to attain the 13 tpy NO_x limit for five years; postponing the deadline to install NZE and/or ZE electric generating units with a cumulative rating greater than or equal to 1.8 MW for five years; and delaying the deadline to remove all prime power diesel engines with a construction date earlier than date of adoption from service for five years.

With regard to toxicity impacts, Alternative C would cause significant operational cancer risk impacts even when attaining the final 13 tpy NO_x limit requirements whereas less than significant impacts to operational cancer risks are expected once the electricity generating facility located on Santa Catalina Island makes necessary modifications to meet the proposed 6 tpy NO_x limit under PAR 1135. Alternative C would also result in further additional delayed NO_x emissions reductions compared to PAR 1135. Moreover, the overall NO_x emissions reductions under Alternative C would be 7 tpy fewer than the proposed project.

The Governing Board finds that there are no feasible mitigation measures that would eliminate or reduce the project-level or cumulative significant adverse operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels if Alternative C is implemented. Therefore, the Governing Board finds that Alternative C will not avoid or substantially lessen the significant environmental effect as identified in the Final SEA. [Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3)].

D. Alternative D: No ZE Equipment

I. Finding and Explanation:

Alternative D proposes that the electricity generating facility located on Santa Catalina Island would have to comply with 13 tpy NO_x limit by January 1, 2030 (with a potential extension up to six years) as the end point which is expected to be achieved by 48% NZE, and 52% diesel internal combustion engines for power generation. Thus, under Alternative D, the electricity generating facility located on Santa Catalina Island is not required to meet the 6 tpy NO_x limit by January 1, 2035. All other elements, limits, and deadlines would be the same under Alternative D as is in the proposed project.

Alternative D would result in the same quantity of delayed NO_x emission reductions as PAR 1135. However, the overall NO_x emission reductions from Alternative D will be 7 tpy fewer than the proposed project. Moreover, although less than significant operational cancer risk impacts are expected when meeting the final 6 tpy NO_x limits in PAR 1135, Alternative C would cause significant operational cancer risk impacts even when attaining the final annual NO_x limit requirements.

The Governing Board finds that there are no feasible mitigation measures that would eliminate or reduce the project-level or cumulative significant adverse operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels if Alternative D is implemented. As such, the Governing Board finds that Alternative D will not avoid or substantially lessen the significant environmental effect as identified in the Final SEA. [Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3)].

5.2 Conclusion of Findings

The Governing Board makes the following findings:

- 1) No feasible mitigation measures have been identified in the Final SEA that would eliminate or reduce the project-level or cumulative significant adverse operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels when meeting the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits. However, once this facility makes modifications necessary to achieve the proposed 6 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years), less than significant air quality impacts are expected during operation.
- 2) Alternative A, the No Project alternative, is infeasible because it neither meets the objectives of the proposed project nor takes into consideration the direction of adopted resolution during 2022 amendments to Rule 1135 to include a revised BARCT assessment for the electricity generating units located on Santa Catalina Island with a specific focus on non-diesel alternatives and ZE and NZE technologies. Because Alternative A is not environmentally superior to PAR 1135 and does not achieve the basic project objective, the Governing Board finds that the No Project Alternative is infeasible. [Public Resources Code 21081(a)(3); *California Native Plant Society v. City of Santa Cruz* (2009) 177

Cal.App.4th 957, 1000- 1001 (upholding finding of infeasibility where agency determined alternative failed to achieve project objective)].

- 3) For Alternatives C and D, the Governing Board finds that there are no feasible mitigation measures that would eliminate or reduce the project-level or cumulative significant adverse operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels. As such, the Governing Board finds that neither Alternative C nor Alternative D will avoid or substantially lessen the significant operational air quality impacts as identified in the Final SEA. [Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3)].
- 4) Alternative B was identified in the Final SEA as the environmentally superior alternative. However, the Governing Board finds that there are no feasible mitigation measures that would eliminate or reduce the project-level or cumulative significant adverse operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels when meeting the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits. Therefore, Alternative B will not avoid or substantially lessen the significant operational air quality impacts identified in the Final SEA. [Public Resources Code Section 21081(a)(3) and CEQA Guidelines Section 15091(a)(3)]. However, under Alternative B, there is uncertainty with its potential for implementation because the ability of the affected facility meeting the proposed 1.8 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years) is dependent upon whether the amount of increased propane deliveries while maintaining a 30-day storage capacity can be consistently achieved.

The Governing Board further finds that the Final SEA considered alternatives pursuant to CEQA Guidelines Section 15126.6, but there is no alternative to PAR 1135 that would reduce to insignificant levels the significant operational air quality impacts identified for the proposed project and still achieve the objectives of the proposed project.

The Governing Board further finds that the findings required by CEQA Guidelines Section 15091(a) are supported by substantial evidence in the record.

6.0 Statement of Overriding Considerations

If significant adverse impacts of a proposed project remain after incorporating mitigation measures, or no measures or alternatives to mitigate the adverse impacts are identified, the lead agency must make a determination that the benefits of the project outweigh the unavoidable adverse environmental effects if it is to approve the project. CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. [CEQA Guidelines Section 15093(a)]. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable” [CEQA Guidelines Section 15093(a)]. Accordingly, a Statement of Overriding Considerations regarding potentially significant adverse operational air quality impacts resulting from PAR 1135 has been prepared. This Statement of Overriding Considerations is included as part of the record of the

project approval for PAR 1135. Pursuant to CEQA Guidelines Section 15093(c), the Statement of Overriding Considerations will also be noted in the Notice of Decision for PAR 1135.

Despite the inability to incorporate changes into PAR 1135 that will mitigate potentially significant adverse operational air quality impacts to a level of insignificance when meeting the proposed 45 tpy, 30 tpy and 30 tpy NO_x limits, the South Coast AQMD Governing Board finds that the following benefits and considerations outweigh the significant unavoidable adverse environmental impacts:

1. The analysis of potential adverse environmental impacts incorporates a “worst-case” approach. This entails the premise that whenever the analysis requires that assumptions be made, those assumptions that result in the greatest adverse impacts are typically chosen. This method likely overestimates the actual adverse environmental impacts from PAR 1135.
2. Although PAR 1135 is expected to result in delayed NO_x emissions reductions until January 1, 2030 (with a potential extension up to six years), implementation of PAR 1135 is expected to incrementally reduce the annual NO_x emissions from the current 71.3 tpy to 45 tpy, 30 tpy, and 13 tpy by January 1, 2027 (with a potential extension up to three years), January 1, 2028 (with a potential extension up to three years), and January 1, 2030 (with a potential extension up to six years), respectively. Moreover, upon full implementation of PAR 1135 by January 1, 2035 (with a potential extension up to six years), the NO_x limit of 13 tpy by January 1, 2026 (with a three-year extension option) will be reduced further to 6 tpy which will provide additional air quality and health benefits.
3. While significant operational air quality impacts are expected at the electricity generating facility located on Santa Catalina Island over the short-term from January 1, 2028 (with a potential extension up to three years) until January 1, 2030 (with a potential extension up to six years) due to exceedances of the air quality significance thresholds for project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, these thresholds will not be exceeded after January 1, 2030 (with a potential extension up to six years).
4. Although significant operational impacts from toxic air contaminants are expected at the electricity generating facility located on Santa Catalina Island when operating equipment to comply with the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits, less than significant operational impacts from toxic air contaminants are expected once the affected facility meets the 6 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years).
5. During 2022 amendments to Rule 1135, stakeholders commented that an updated BARCT assessment was warranted due to the change in averaging time and that the BARCT assessment should emphasize ZE technologies. Also, in December 2022, the South Coast AQMD adopted the 2022 AQMP which included a series of control measures to achieve the 2015 8-hour ozone NAAQS. In particular, Control Measure L-CMB- 06: NO_x Emission Reductions from Electricity Generating Facilities, focused on large combustion sources and assessing low NO_x and ZE technologies for power generation, and specifically

mentioned replacing existing diesel internal combustion engines with lower-emitting technologies. Thus, PAR 1135 is currently proposed to address stakeholder comments raised during the January 2022 amendments to Rule 1135 and to partially implement Control Measure L-CMB-06 of the 2022 AQMP. Moreover, the adoption of PAR 1135 is consistent with the adopted resolution during 2022 amendments to Rule 1135 which directed South Coast AQMD staff to re-initiate rule development in 2022 which included a revised BARCT assessment for the electric generating units located on Santa Catalina Island with a specific focus on non-diesel alternatives as well as ZE and NZE technologies.

6. Although PAR 1135 would still cause temporary significant operational air quality impacts for NO_x emissions, changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks, it is considered to provide the best balance in achieving the project objectives while minimizing the significant adverse environmental impacts to operational air quality.

The South Coast AQMD Governing Board finds that the above-described considerations outweigh the unavoidable significant effects to the environment as a result of PAR 1135.

7.0 Mitigation

CEQA requires an agency to prepare a plan for reporting and monitoring compliance with the implementation of measures to mitigate significant adverse environmental impacts. When making findings as required by Public Resources Code Section 21081 and CEQA Guidelines Section 15091, the lead agency must adopt a reporting or monitoring program for the changes to the project which it has adopted or made a condition of project approval in order to mitigate or avoid significant effects on the environment [Public Resources Code Section 21081.6 and CEQA Guidelines Section 15097(a)]. The provisions of CEQA Guidelines Section 15097 and Public Resources Code Section 21081.6 are triggered when the lead agency certifies a CEQA document in which mitigation measures changes, or alterations have been required or incorporated into the project to avoid or lessen the significance of adverse impacts identified in the CEQA document.

However, no feasible mitigation measures were identified for PAR 1135 that would eliminate or reduce the significant adverse operational air quality impacts for NO_x emissions, project-specific changes in the 24-hour average concentrations of PM_{2.5} and PM₁₀, and health risks to less than significant levels when meeting the proposed 45 tpy, 30 tpy, and 13 tpy NO_x limits. It should be noted that once the electricity generating facility located on Santa Catalina Island makes modifications necessary to achieve the proposed 6 tpy NO_x limit by January 1, 2035 (with a potential extension up to six years), less than significant air quality impacts are expected during operation. Since no feasible mitigation measures were identified, mitigation measures and a corresponding mitigation, monitoring and reporting plan are not required and have not been prepared.

8.0 Record of Proceedings

For purposes of CEQA, including the Findings and Statement of Overriding Considerations, the Record of Proceedings for PAR 1135 consists of the following documents and other evidence, at a minimum:

- The Final SEA for PAR 1135, including appendices and technical studies included or referenced in the Final SEA, comment letters, responses to comments, and all other public notices issued by South Coast AQMD for the Final SEA.
- The Draft SEA for the proposed project including appendices and technical studies included or referenced in the Draft SEA, and all other public notices issued by South Coast AQMD for the Draft SEA.
- The Preliminary Draft, Draft and Final versions of the rule language and associated staff report.
- The Draft and Final version of the Socioeconomic Impact Assessment.
- All written and verbal public testimony presented during a noticed public hearing for PAR 1135.
- All documents, studies, EAs, or other materials incorporated by reference and tiered-off in the Draft SEA and Final SEA.
- The Resolution adopted by South Coast AQMD in connection with PAR 1135, and all documents incorporated by reference therein.
- Matters of common knowledge to South Coast AQMD, including but not limited to federal, state, and local laws and regulations.
- Any documents expressly cited in the Findings and Statement of Overriding Considerations.
- Any other relevant materials required to be in the record of proceedings by Public Resources Code Section 21167.6(e).
- The Notice of Decision, prepared in compliance with Public Resources Code Section 21080.5(d)(2)(E), CEQA Guidelines Section 15252(b), and South Coast AQMD Rule 110(f), if the Governing Board certifies the Final SEA and approves PAR 1135.

To comply with CEQA Guidelines Section 15091(e), the South Coast AQMD specifies the Deputy Executive Officer of the Planning, Rule Development, and Implementation Division as the custodian of the administrative record for PAR 1135, which includes the documents or other materials which constitute the record of proceedings upon which the South Coast AQMD's actions related to the proposed project is based, and which are located at the South Coast AQMD headquarters, 21865 Copley Drive, Diamond Bar, California 91765. Copies of these documents, which constitute the record of proceedings, are and at all relevant times have been and will be available upon request. This information is provided in accordance with Public Resources Code Section 21081.6(a)(2) and CEQA Guidelines Section 15091(e).