



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

**Proposed Amendments to
Rule 4702
(Internal Combustion Engines)**

(District Project CEQA # 20100426)
(SCH No. 2011061089)

Initial Study and Final Negative Declaration

August 2011

**SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD 2011**

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A. PROJECT BACKGROUND INFORMATION

1. Project Title:

Proposed Amendments to Rule 4702 (Internal Combustion Engines)

2. Lead Agency Name and Address:

San Joaquin Valley Unified Air Pollution Control District
1990 E. Gettysburg Avenue
Fresno CA 93726-0244

3. Contact Person:

CEQA: Mark Montelongo
(559) 230-6000

Permits: Sandra Lowe-Leseth
(559) 230-6000

4. Project Location:

This rule applies to any internal combustion engine with a rated brake horsepower of 25 horsepower or greater located within the boundaries of the San Joaquin Valley Unified Air Pollution Control District (see Exhibit 1, Map of District boundaries).

5. Project Sponsor's Name and Address:

San Joaquin Valley Unified Air Pollution Control District
1990 E. Gettysburg Avenue
Fresno CA 93726-0244

6. Assessor's Parcel Number:

Not applicable to this project.

7. General Plan Designation/Zoning:

Not applicable to this project.



Exhibit 1
San Joaquin Valley Unified Air Pollution Control District Boundaries





8. Project Description:

The District issued a Notice of Intent to adopt a Negative Declaration that was made available for public review and comment from July 1, 2011 to July 30, 2011. As such, comments and responses are available in Appendix A and Appendix B. On June 22, 2011, the District conducted its final workshop for Proposed Amendments to Rule 4702. Based upon comments received from the workshop, the District amended the Initial Study/Draft Negative Declaration to add administrative changes and clarification to the rule amendments description. As determined by the District, the new information is simply clarification to the project description in accordance with the proposed rule and does not create any new significant environmental effects.

District Rule 4702 (Internal Combustion Engines) was initially adopted in August 2003 and was last amended in January 2007. The purpose of Rule 4702 is to limit oxides of nitrogen (NO_x), carbon monoxide (CO), and volatile organic compounds (VOC) emissions from stationary internal combustion (IC) engines. The rule applies to any stationary IC engines with a rated brake horsepower (bhp) greater than 50. The rule divides engines into those used in agricultural operations (AO engines) and those used in other operations (non-AO engines).

Rule 4702 provides some exemptions from the emissions standards or other requirements of the rule for engines used in certain specific applications, such as an emergency standby engine, military tactical equipment, and certain types of engines used in AO (e.g., wind machines, mobile agricultural equipment, engines used to propel implements of husbandry). Rule 4702 exempts engines from complying with the emission limits provided they do not exceed 200 hours of operation per calendar year and meet other conditions.

The existing NO_x concentration limits in Rule 4702 are 25 ppmv to 150 ppmv corrected to 15% O₂, depending on engine category. The VOC and CO concentration limits are 250 to 750 ppmv (depending on engine category) and 2,000 ppmv, each corrected to 15% O₂, respectively.

The draft amendments to Rule 4702 focus on spark-ignited stationary IC engines that are not used in agricultural operations (non-AO). The following paragraphs detail the proposed modifications to Rule 4702 language.

A. RULE TITLE, SECTION 1.0 PURPOSE AND SECTION 2.0 APPLICABILITY

The rule's title would be modified to remove the phrase "Phase 2". This phrase is a holdover from past years and the phrase no longer reflects the rule's scope.

The Purpose section of the rule would be amended to add oxides of sulfur (SO_x) to the list of regulated pollutants. In the Applicability section, the minimum horsepower rating of engines subject to the rule would be amended from 50 horsepower to 25 horsepower.



B. SECTION 3.0 DEFINITIONS

The definitions for "Agreement to Electrify" and "Beam Balanced Pumping Engine" would be removed, since they are no longer found in the body of the rule.

The existing rule defines "Agricultural Operations" by referencing it to the definition in Rule 4550 (Conservation Management Practices). For reader clarity, the definition of "Agricultural Operation" will be included in Rule 4702.

Seven definitions would be added to the rule. These definitions are: Air Pollution Control Officer (APCO); California reformulated diesel; higher heating value; limited-use engine; operator; owner; and variable-load engine. These definitions would be added to improve reader clarity. Also, throughout the rule, the word "owner" would be replaced with the word "operator" to make the rule language consistent with other District rules, and to provide clarity as to whom rule requirements are applicable to

District staff is re-locating the definition of low-use engine from the Section 4.0-Exemptions section to the Section 3.0-Definitions. No requirements have been added or removed from the definition.

The language in two definitions would be edited for clarity. The definition of California reformulated gasoline would better specify the section of the California Code of Regulations where the state's definition is located. The definition of replacement engine would be modified to change the starting date of replacement to reflect the current amendments to the rule.

The definitions would be renumbered as needed.

In the June 22, 2011 version of the staff report, there was a definition of "existing cyclic field gas fueled engines." This has been removed from the rule because there is no NOx control technology that will allow newer cyclically-loaded engines to be controlled below their current emission level, even with the latest emission control technology.

C. SECTION 4.0 EXEMPTION

The language in Section 4.2 would be amended to consolidate requirements for emergency standby and low-use engines. The requirements to be considered a low-use engine would be moved to Section 3.0 (Definitions) of the rule.

Section 4.4 allows an exemption from the requirements of Best Available Control Technology (BACT) and Offset requirements of Rule 2201 (New and Modified Stationary Source Review Rule) if the replacement engine is installed for the sole purpose of complying with Rule 4702. In the first draft version of the rule, presented during the September 2010 public workshop, District staff proposed to delete Section 4.4 because, in the past, EPA has disapproved for inclusion into the State



Implementation Plan (SIP) District prohibitory rules which included a similar exemption. EPA has stated in previous rulemaking projects that BACT and Offset requirements should be addressed in District Rule 2201 instead of the prohibitory rule.

However, comments were received from stakeholders recommending to keep the existing BACT and Offset exemption in the rule for replacement engines that are needed to comply with the draft rule requirements. After conferring with the District's Permit Services Department, staff agrees with the commenter's justification. The existing Section 4.4 in Rule 4702 will be retained. Staff believes that the narrow and limited exemption from BACT and Offset specified in existing Rule 4702 for replacement engines is appropriate since Section 5.2 of the rule requires an operator to replace existing older compression-ignited engines with cleaner EPA certified Tier 3 or Tier 4 engines.

If the exemption were removed from Rule 4702, operators who, according to the rule, must replace their engines with Tier 3 engines, for instance, would instead be subject to BACT when they apply for permits to install those Tier 3 engines. Instead of installing a Tier 3 engine, an operator may be required to electrify. Although existing Rule 2201 Sections 4.2.3 and 4.6.8 allow exemptions from BACT and Offset requirements, the exemptions apply only to the installation or modification of an emission control technique performed solely for the purpose of compliance with the requirements of District, State or Federal air pollution control laws, regulations or orders. Such exemptions do not apply to replacement units needed to comply with the prohibitory rules. Therefore, the District must retain the existing language in Rule 4702.

D. SECTION 5.0 REQUIREMENTS

This section of the rule enumerates emission limits and monitoring requirements for stationary IC engines.

- o *New Section 5.1 – IC Engines between 25 and 50 Horsepower*

New Section 5.1 would establish the requirements for spark-ignited engines and compression-ignited engines rated at 25 to 50 brake horsepower (bhp) that are used exclusively in Non-AO. These small engines are already regulated under the existing federal Standards of Performance. The provision would prohibit a person from supplying, selling, offering for sale, soliciting the operation, or installing engines rated at 25 to 50 bhp horsepower unless the engines meet the applicable requirements and emission limits specified in the Code of Federal Regulation Title 40 Part 60 (40 CFR 60) Subpart IIII (Standards of Performance for Stationary Compression Ignition Internal Combustion Engines) and 40 CFR 60 Subpart JJJJ (Standards of Performance for Stationary Spark Ignition Internal Combustion Engines) for the year that the engine is purchased. The provision is intended to ensure that older, more polluting engines are not sold to another person or entity since cleaner small engines that meet the NSPS standards would be available in the market. District staff has removed the terms "solicit the operation, supplying, and install" from this provision. This provision would not affect



the leasing of these engines because the ownership of the engine would remain with the lessor until such time as the lessor chooses to sell the engine; at which time, this provision would apply.

This provision regulates engines by attrition rather than requiring the operator to install additional emission control system on existing engines as is the case for engines greater than 50 bhp. Over time, the non-agricultural operations (non-AO) engines between 25 and 50 bhp will be replaced with the cleanest-burning engines available and the replacement happens at a time of the operator's choosing, since the operator elects when to replace a given engine. If there is no cleaner engine available, meaning that the federal emission limits haven't changed since the engine was manufactured, the engine can change hands and continue to operate within the Valley because the engine is the cleanest version available. Conversely, if there is a cleaner federal emission standard than the standard at the time the engine was manufactured, rather than continuing to have the older, dirtier engine continuing to operate, but at a different Valley location, the District is proposing that the older engine be retired or retrofitted to meet the latest standard. The draft requirement, as written, is a win-win situation for both operators and Valley air quality because it provides continuous air quality improvement through normal engine turnover as well as operator flexibility by allowing the operator, not the District, to determine when to replace an engine.

Additionally, the draft rule amendments would require the current owner of non-AO small engines operated in commercial, industrial, and institutional facilities to submit a one-time report to the District which includes information on the number of engines, location of each engine, engine manufacturer, model designation and engine serial number, engine bhp, fuel type and consumption rate, ignition type and combustion type, purpose of the engine, and daily operating schedule. The purpose of the report is to allow the District to improve the emission inventory for this category.

- *Section 5.2 – Engines Greater than 50 Horsepower*

Section 5.2 would separate the existing the emission limits/standards for Non-AO from agricultural operations (AO) spark-ignited engines and compression-ignited engines greater than 50 bhp. This section would also specify the proposed limits for Non-AO spark-ignited engines greater than 50 bhp. The following are sub-sections being modified as well as the new provisions being proposed:

- *Section 5.2.1 – Existing Emission Concentration Limits*

Section 5.2.1 would be reorganized to separate AO engines from non-AO engines. The existing emission limits for spark-ignited engines used in AO would be relocated and new emission concentration limits for non-AO engines would be placed in a separate table. The non-AO limits would be effective until the new emission limits in the new table become effective. The compliance schedule for the non-AO spark ignited engines is specified in Section 7.4 of the rule.



District staff did not consider reducing the emission limits on AO engines as part of this rule project. AO engines have just recently been required to comply with Rule 4702; the current emission limits have compliance dates from January 2009 through January 2015. By comparison, non-AO engine emission limits were first adopted in 2003; meaning that operators with non-AO engines have had an opportunity to get a return on their investment. Appendix D of the Final Draft Staff Report for Revised Proposed Amendments to Rule 4570 (Confined Animal Facilities) dated October 2010 discusses the San Joaquin Valley agricultural community economic conditions. Farms, ranches and dairies generally, speaking, do not have the ability to pass on higher costs to the supply chain due to regulatory framework for these operations. In order to give agricultural operators some return on their capital investment, it would be imprudent to impose new limits for agricultural engines at this time. District staff will re-evaluate potential emission reductions from AO engines as part of future measures and rule projects.

A new constraint has been added to this section. In Section 5.1.2.2, if an operator elects to use the “fee payment in lieu of compliance” option, the current emission limits would remain in place for these engines. In other words, the provision prevents existing engines that are included in a fee payment program from increasing their emissions above the current emission limits. Including this provision it fulfills an EPA requirement called “anti-backsliding,” meaning changes to a rule cannot allow operators to increase their emissions above whatever is currently in place. An example of when emissions could increase would be if operators in the fee payment program were allowed to pull all NOx emission control equipment off their engines, and then pay the fee based on uncontrolled engine emissions. NOx emissions from the individual engine would be higher than the current rule allows and EPA would consider such an action “backsliding” from current level of control. Previous draft versions of the rule did not address the potential for increased emissions when engines enter the fee payment program.

o *Section 5.2.2 – Non-AO Spark-Ignited Engine Emission Concentration Limits*

Section 5.2.2 would establish the proposed emission concentration limits for non-AO spark-ignited engines greater than 50 bhp. In the September 9, 2010 version of the draft rule amendments that were presented at the first public workshop, District staff proposed 11 ppmv NOx limit for all engines in this category. However, after considering the comments and recommendations from stakeholders and the Citizens Advisory Group of Industry (CAGI), District staff is now proposing the NOx emission limits that take into account the differences between engines used in different applications. Table 1 summarizes the proposed emission limit changes. The limits are in concentration units of parts per million by volume on a dry basis (ppmvd), corrected to 15% oxygen.



Table 1 – Draft Emission Limits for non-AO Spark Ignited Engines	
	NOx Limit (ppmvd)
Rich-Burn Engines	
A. Waste Gas Fueled Engine	50
B. Existing Cyclic Loaded, Field Gas Fueled	50
C. Limited Use Engine	25
D. Rich-Burn Engine, not listed above	11
Lean-Burn Engines	
E. Two-Stroke, Gaseous Fueled, < 100 hp Engine	75
F. Limited Use Engine	65
G. Lean-Burn Engine used for gas compression	65 or 93% reduction
H. Lean-Burn Engine, not listed above	11

Because of the heat content variability of waste gas, NOx control can be problematic for engines fired on waste gas, therefore, District staff is proposing that there be no change to the NOx emission concentration limit for waste gas fueled engines. Cyclic-loaded, field gas fueled engines can achieve some level of control, but not the very stringent control that can be imposed on engines that operate in a narrow range of loads. Catalyst chemistry depends on a minimum temperature to be effective. When the cyclic load engine is operating in an engine load range that the exhaust gas is in the catalyst' effective range, the emissions are well-controlled, but as the engine cycles out of the "sweet spot," NOx control is less. Eventually, the exhaust gas temperature can be too low for any effective control. For this reason, District staff is proposing that the NOx limit for cyclic loaded field-gas fueled engines be left unchanged.

Two-stroke, gaseous fueled engines between 50 hp and 100 hp would remain at the current NOx emission level. There is no technology that will allow a lower NOx level.

The draft amendments propose a new category of engines that operate less than 4,000 hours per year on a three-year average, based on the cost effectiveness for these engines compared to engines that have higher utilization. These engines are designated as limited use engines. This is not to imply that the draft amendments leave the engines as uncontrolled. The NOx concentration limit for limited use rich-burn engines would be 25 ppmv NOx, which is the current emission limit for rich-burn engines. The NOx emissions foregone resulting from not lowering the existing NOx limit of 25 ppmv to 11 ppmv is about 1.3 tons NOx/year or about 0.004 tons/day as shown in Appendix C of the Draft Staff Report.

Based on the District Permit Services database, there are no lean-burn engines currently operating less than 4,000 hours per year in the District. However, District staff is proposing to include this limited-use category of engines in order to provide operators with the option of limiting their engine usage so as not to retrofit with an expensive SCR system, in exchange for reduction in their current emissions level. Since there are no lean-burn engines currently operating less than 4,000 hours per year in the District, in



carving out this group of engines, there is no NOx emission impact from this engine category.

Another new category would be created by the proposed rule – lean-burn engines used in gas compression. In general, these engines operate over a wide range of loads. As noted in the EPA’s technical support document (see Appendix F), these engines fluctuate over a broad range of conditions making SCR use problematic. For this reason, District staff proposes that the lean-burn engine used in gas compression be created with a NOx control as a percent reduction over the uncontrolled emission factor.

Although District staff is leaving certain types of engines at their current numeric emission limits, for most engines the proposed rule removes the percent reduction as an alternative limit. As currently enforced, the operators with the percent reduction are assuming that the input to the control device is an uncontrolled engine. The percent reduction option when converted from pounds NOx per MMBtu to ppmvd at 15% oxygen is equal to or greater than the proposed numeric limit, therefore, removing the percent reduction option will no increase emissions from the targeted engine.

o *VOC and CO Emission Limits*

District staff previously proposed a CO limit of 500 ppmv and 30 ppmv VOC limit. Stakeholders recommended to not change the existing 2,000 ppmv CO and 250/750 VOC limits. The Engine Manufacturers Association (EMA) commented that they do not believe reductions are achievable in practice for all stationary engine systems particularly for existing engines under varied operating and field conditions. EMA stated that for spark-ignited engines, there is a known relationship between emissions of NOx, VOC, and CO, in that as the engine is adjusted to reduce NOx, the VOC and CO emissions will increase. Efforts to adjust the engine to reduce VOC and CO emissions would result in an increase in NOx emissions. District staff contacted SCAQMD staff to determine if the current 30 ppmv VOC in South Coast’s Rule 1110.2 is being achieved. District staff has found that there are several variances that have been approved by SCAQMD Hearing Board allowing a temporary regulatory relief from the 30 ppmv VOC limit until such time that an alternate limit, which is an allowable provision of SCAQMD Rule 1110.2, could approved by their Executive Officer.

Based on stakeholders’ recommendations and results of the SCAQMD variances, District staff believes that it is appropriate to not change the existing VOC limits in Rule 4702. Likewise, the current CO limit of 2,000 ppmv would not be changed. Keeping the existing VOC and CO emission limits in the current rule would allow engine manufacturers and emission control system manufacturers to have the much-needed flexibility to be able to achieve much lower NOx emissions under varying field operating conditions and applications.

o *Section 5.2.2.2 – Alternative Emission Control Option*

Section 5.2.2.2 allows operators of non-AO spark-ignited engines an alternative to installing a NOx emission control system. Operators have the option to pay annual



fees. The District would take the fees generated by the alternative emission control option to fund other emission-reducing projects that would get equivalent reductions. Operators would remain subject to CO and VOC emission concentration limits – only NOx emissions would be allowed to fall under an alternative emission control option. As noted above, a provision would be added to re-iterate the Section 5.2.1.2 requirement that the engines of operators who elect the fee payment option would not be allowed to emit NOx above the applicable current NOx limit to preclude any increase above the current NOx emissions. More details on the requirements for this option are contained in new Section 5.6 of the rule.

- *Section 5.6 – Alternative Emission Control Option Calculations*

Section 5.6 details the calculation of emissions and fees for this option. The fees are based on the total annual NOx emissions for the unit. As such, this program does not constitute a discretionary economic incentive program as defined by 40 CFR 61 Subpart U. The District intends to use the money generated by this program to acquire equivalent emission reductions from other sources. Details of the program itself will be sent to EPA when the program is initiated. Because any emission reductions generated by the fee program cannot be credited to the District until the reductions are actually achieved, District staff is taking no State Implementation (SIP) emission reduction credit for the overall rule project. Not taking SIP credit for NOx emission reductions does not affect either the District's 2007 Ozone Plan attainment strategy nor does it affect the District's 2008 PM2.5 attainment strategy because the control measure for amending Rule 4702 did not include any specific amount of emission reductions. The emission reduction analysis in Appendix B of this staff report is based on each engine complying with the rule through the installation of NOx emission control technology. The District staff expects that the emission reductions associated with the fee payment option will be higher than by requiring installation of individual control technology. However, any estimate of additional reductions would be speculative, because neither the number nor the size of engines participating in the fee payment program can be predicted in advance of the program.

- *Section 5.7 – Control of Sulfur Oxide (SOx) Emissions and*
- *Section 5.10 – SOx Emissions Monitoring Requirements*

The rule would limit SOx emissions through fuel choice. For non-AO engines, these fuels are widely available. Although the draft provisions limit the sulfur in the engine's fuel, for SIP purposes, the District is not taking any credit for SOx emission reductions associated with the rule modifications because it is expected that most operators are already comply with the requirement. Although SOx is a precursor to PM2.5, the control measure in the PM2.5 Plan did not commit the District to any SOx reduction, therefore, the attainment date is not affected by not taking SIP credit for the potential SOx emission reductions.

- *Section 5.0 – Miscellaneous Changes*

Sections and section references have been renumbered as needed and some section titles have been modified for reader clarity.



E. SECTION 6.0 ADMINISTRATIVE REQUIREMENTS

o Section 6.1 – Emission Control Plan

Language would be added to these section allowing operators with no changes to their emission control plan to submit a letter stating that there are no changes rather than having to submit the entire plan. District staff agreed with a stakeholder who stated that preparing an emission control plan is time-consuming and is redundant if the existing emission control plan is already adequate. The proposed change would streamline compliance for certain operators of existing engines.

o Section 6.4.6 – SO_x Test Methods and

o Section 6.4.7 – Higher Heating Value Test Methods

Section 6.4.6 would be added in order to specify the test methods for determining oxides of sulfur, total sulfur as hydrogen sulfide, sulfur content of liquid fuel, and calculation method for SO_x control efficiency. Section 6.4.7 would be added to specify the allowable test methods for determining a fuel's higher heating value. These test methods were added to complement the addition of SO_x requirements.

o Section 6.5 – Inspection and Monitoring (I&M) Plan

Language would be added to this section to indicate that operators, who have no changes to their facility's I&M Plan, can submit a letter to that effect rather than submitting a new plan.

o Section 6.0 – Miscellaneous Changes

Section numbers and section references would be renumbered, as needed.

F. SECTION 7.0 – COMPLIANCE SCHEDULE

District staff has reviewed the compliance schedules already in the rule and removed those schedules that are in the past. A new compliance section was added for existing engines that would need to comply with the proposed amendments.

o Existing Section 7.3, 7.4, and 7.5

Language has been removed from these sections that apply to schedules that have already passed.

o New Section 7.5

This section would require the owner of a non-AO spark-ignited engine subject to the rule to comply with the proposed requirements according to a specific compliance schedule. The September 2010 version of the draft rule had a single compliance date. In response to stakeholder comments, the draft compliance date has been amended and now a phased-in compliance schedule is proposed. Additional discussions with stakeholders yielded a further refinement – operators with more engines have a longer period of time to come into compliance, starting in 2014 and ending in 2017. The longer compliance schedule recognizes that operators with more engines might have some



logistical issues in bringing so many engines into compliance in a short amount of time, while recognizing the District's commitment to expedite air quality benefits as committed to by the Governing Board with a the dual path strategy.

Stakeholders asked for a compliance timeline ending in 2020. While staff recognizes that there is no specific NOx reduction commitment in either air quality attainment plan; staff feels that providing a nine-year compliance timeline would be counterproductive to District air quality attainment goals and the dual path strategy adopted by the District Governing Board.

In developing and adopting the *2007 Ozone Plan*, the District's technical and legal analysis indicated that reclassification to "extreme" reflecting attainment no later than 2023 was the only option available to the District. However, the District Governing Board concurrently adopted a dual path strategy to ensure continual progress and attainment at earliest practicable date. This dual path strategy commits the District to continuously look for any and all new measures that could bring the Valley into attainment sooner. Table 2 below shows the proposed compliance schedule. It is important to note that the division of compliance date requirements in Table 2 is specific to the amount of engines per stationary source and not to the amount of engines owned by an operator. For example, an operator that owns 12 engines with five engines at one facility and the other seven engines at another facility would not have the 2017 compliance timeline as allowed for operators with at least 12 engines at a stationary source, because all the engines are not at one stationary source, rather than one location.

Table 2 – Draft Compliance Schedule for Non-AO Spark-Ignited Engines			
Engines to be in Compliance at a Stationary Source	Emission Control Plan	Authority to Construct and Inspection and Monitoring Plan	Full Compliance
Single engine at facility	July 1, 2012	January 1, 2013	January 1, 2014
33% or more of the engines	July 1, 2012	January 1, 2013	January 1, 2014
66% or more of the engines	July 1, 2012	January 1, 2014	January 1, 2015
100% of the engines	July 1, 2012	January 1, 2015	January 1, 2016
Operator with at least 12 engines at a stationary source			
25% or more of the engines	July 1, 2012	January 1, 2013	January 1, 2014
50% or more of the engines	July 1, 2012	January 1, 2014	January 1, 2015
75% or more of the engines	July 1, 2012	January 1, 2015	January 1, 2016
100% of the engines	July 1, 2012	January 1, 2016	January 1, 2017



o *New Section 7.6*

The owner of a Non-AO spark-ignited engine who elects to pay annual NOx emission fees to the District in lieu of complying with the proposed Table 2 emission limits of the rule would be required to submit an Emission Control Plan which includes the information specified in new Section 7.6.1 by July 1, 2012 as specified in Table 6 of the rule. The owner would be required to pay the total annual fee to the District no later than June 30 of each year for the emissions of the previous calendar year. Payment would continue annually until the engine either is permanently removed from use in the San Joaquin Valley Air Basin and the Permit-to-Operate is surrendered, or the operator demonstrates compliance with the proposed rule's Table 2 emission limits.

o *Section 7.0 – Miscellaneous Changes*

Section numbers and section references would be renumbered, as needed

9. Other Agencies Whose Approvals Are Required and Permits Needed:

This project is a rule development project and does not require permits from any agency. The United States Environmental Protection Agency has authority to approve the rule for inclusion into California's State Implementation Plan.

10. Name of Person Who Prepared Initial Study:

Mark Montelongo
Air Quality Specialist

B. FINDINGS

District staff has prepared a Final Draft Staff Report for the proposed amendments to the rule, incorporated herein by reference, which demonstrates that the proposed amendments to the rule would not have an adverse impact on air quality. Pursuant to CEQA Guidelines §15063(a), District staff prepared an Initial Study for the proposed project. The District finds that there is no substantial evidence that the project may have a significant effect on the environment. District staff has prepared a Negative Declaration for the project. Upon approval of the proposed rule by the District's Governing Board, District staff will file a Notice of Determination with each County Clerk within the boundaries of the District, CEQA Guidelines §15075(d).



C. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | | |
|---|--|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology/Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology/Water Quality |
| <input type="checkbox"/> Land Use/Planning | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population/Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation/Traffic | <input type="checkbox"/> Utilities/Service Systems | <input type="checkbox"/> Mandatory Findings of Significance |

D. DETERMINATION

I certify that this project was independently reviewed and analyzed and that this document reflects the independent judgment of the District.

- I find that the proposed project is exempt from CEQA requirements under California Code of Regulation §15061(b)(3), and a Notice of Exemption has been prepared.
- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION has been prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impact" or "potentially significant unless mitigated." An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

Signature: J. Steven Worthley

Date: 8/18/11

Printed name: J. Steven Worthley
 Title: Chair



E. ENVIRONMENTAL IMPACT CHECKLIST

I. AESTHETICS Would the proposal:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcropping, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character or quality of the site and its surrounding?				X
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting aesthetics. Therefore the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on aesthetics, as identified above (a-d).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				
<p>II. AGRICULTURE RESOURCES In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measures methodology provided in the Forest Protocols adopted by the California Air Resources Board.</p> <p>Would the project:</p>	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact



II. AGRICULTURE RESOURCES (Continued)	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use of conversion of forest land to non-forest use?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting agricultural resources. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on agricultural resources, as identified above (a-e).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				



III. AIR QUALITY Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				X
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?				X
d) Expose sensitive receptors to substantial pollutant concentrations?				X
e) Create objectionable odors affecting a substantial number of people?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), and volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. District Staff has prepared a Staff Report: <i>Proposed Amendments to Rule 4702 (Internal Combustion Engines)</i>, incorporated herein by reference for consideration by the District's Governing Board.</p> <p>District Staff has prepared an <i>Emission Reduction Analysis</i> incorporated within the Staff Report, which demonstrates that implementation of this project is expected to result in obtaining a 522.4 tons/year (1.43 tons/day) reduction in NOx emissions. As such, the District concludes that the project would have a positive impact on air quality. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on air quality, as identified above (a-e).</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				



IV. BIOLOGICAL RESOURCES Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				X
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting biological resources. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on biological resources, as identified above (a-f).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				



V. CULTURAL RESOURCES Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?				X
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d) Disturb any human remains, including those interred outside of formal cemeteries?				X
Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting cultural resources. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on cultural resources, as identified above (a-d).				
Mitigation: None				
Reference: Proposed Rule 4702 and supporting staff report.				
VI. GEOLOGY/SOILS Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				X
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X



VI. GEOLOGY/SOILS (Continued)	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting geology/soils. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on geology/soils, as identified above (a-e).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				
VII. GREENHOUSE GAS EMISSIONS Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases?			X	
<p>Discussion: Global Climate Change is the cumulative change in the average weather of the earth that can be measured by changes in temperature, precipitation, storms, and wind. Greenhouse Gases (GHG) are gases that trap heat in the atmosphere. A substantial body of scientific evidence has indicated that increasing concentrations of GHG in the atmosphere are causing Global Climate Change. Both the Federal EPA and the legislature of California have determined that increasing levels of GHG will result in potentially serious adverse effects on the environment.</p>				
<p>To combat the adverse affects on Global Climate Change, the California legislature passed Assembly Bill 32</p>				



(AB32), the "California Global Warming Solutions Act of 2006". AB 32 created a comprehensive, multi-year program to reduce GHG emissions in California, with the goal of restoring GHG emissions to 1990 levels by 2020. Currently, the California Air Resources Board (ARB) and the Legislature are working to develop policies and programs to implement AB 32. The District has begun implementing its Climate Change Action Plan to address the long-term adverse affects of Global Climate Change resulting from emissions of GHG.

District Staff has prepared a Staff Report: *Proposed Amendments to Rule 4702 (Internal Combustion Engines)* for consideration by the District's Governing Board. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), and volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater, and will seek to obtain reductions in NOx emissions.

The District assessed potential changes in greenhouse gas (GHG) emissions which would occur as a result of implementation of the proposed amendments. Implementation of exhaust controls can result in decreased fuel efficiencies, resulting in increased GHG emissions. However, electrification, as an alternate method of compliance, has the potential to reduce GHG emissions. The District evaluated potential changes in GHG emissions resulting from the reasonably foreseeable methods of compliance with proposed revisions to Rule 4702. The assessment demonstrates that electrification of two to three engines is sufficient to offset the potential increase in GHG emissions resulting from reduced fuel efficiencies. Electrification of two to three engines is a plausible compliance outcome. Thus, the District concludes that the project would have a less than cumulative significant impact on global climate change, as identified above (a-b).

Reference: Proposed Rule 4702 and supporting staff report.

VIII. HAZARDS & HAZARDOUS MATERIALS Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?			X	
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?			X	



VIII. HAZARDS & HAZARDOUS MATERIALS (Continued)	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?			X	
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?			X	
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?			X	
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?			X	
<p>Discussion: Proposed amendments to Rule 4702 is a rule development project. Non-Selective Catalytic reduction (NSCR or three-way catalyst) would be used to comply with the emission limits for nonagricultural operations (Non-AO) spark-ignited rich burn engines. NSCR does not use ammonia or urea to control emissions. Thus, implementation of NSCR as a compliance method would not increase use of hazardous materials. Selective Catalytic Reduction (SCR) technology would likely be used to comply with the proposed emission limits for Non-AO spark-ignited lean burn engines. SCR uses ammonia in the presence of a catalyst to convert NOx to nitrogen and water vapor. California Office of Environmental Health and Hazard Assessment, has not classified ammonia as a carcinogen. However, ammonia does have acute and chronic health effects. Acute exposure to ammonia at a concentration of 3,200 micrograms per cubic meter has been found to cause irritation of the eyes and respiratory tract. Higher concentrations cause conjunctivitis, laryngitis, and pulmonary edema. Long-term exposure to ammonia at concentrations of 200 micrograms per cubic meter or greater has been found to affect the respiratory tract. Since the olfactory organs can detect ammonia at very low concentrations, there is little chance that any long-term exposure at unhealthy concentrations could mistakenly occur.</p> <p>Some SCR systems also use non-hazardous urea or aqueous ammonia injection to achieve the proposed emission limits without anhydrous ammonia. The use of anhydrous ammonia involves greater risk than aqueous ammonia because it is stored and transported under pressure. In the event of a leak or rupture of a tank, anhydrous ammonia is released and vaporizes. Aqueous ammonia is a liquid at ambient temperatures and gas is only produced when a liquid pool from a spill evaporates. Under current Office of Emergency Services regulations implementing the California Accidental Release Prevention (CalARP) program, aqueous ammonia would further minimize any potential hazard impacts associated with anhydrous ammonia use. The CalARP program is to prevent accidental releases of substances that can cause serious harm to the public and environment, minimize the damage if releases do occur, and to satisfy community right-to-know laws.</p> <p>Another potential consideration is the ammonia emissions (referred to as ammonia slip) exhausted from SCR systems. A limit on ammonia slip is normally included in District issued permits to operate of stationary sources, which should minimize the potential air quality impacts associated with ammonia slip from sources operating SCR. Furthermore, properly operating and well maintained equipment could reduce the level of ammonia</p>				



emissions. Therefore, the levels of ammonia emissions from potential ammonia slip are not expected to reach hazardous levels.

Federal Occupational Safety and Health Administration (OSHA) have identified anhydrous ammonia as a hazardous chemical and have implied regulations to require employers to protect workers from exposure to harmful substances. Administrative or engineering controls must first be determined and implemented whenever feasible. When such controls are not feasible to achieve full compliance with Code of Federal Regulations Title 29 Section 1910 Subpart Z (29 CFR 1910.1000) (Toxic and Hazardous Substances), protective equipment or any other protective measures must be used to keep the exposure of employees to air contaminants within the limits prescribed in the regulation. Because the engines affected by Rule 4702 are located at industrial or commercial facilities, it is expected that anhydrous ammonia will be handled in accordance with this OSHA rule.

Transportation of anhydrous ammonia falls under the jurisdiction of the federal Department of Transportation, and is regulated in 49 CFR 172.101 (Hazardous Materials Table, Special Provisions, Hazardous Materials Communications, Emergency Response Information, Training Requirements, and Security Plans). The purpose of this regulation is to limit spills, leaks and other releases to the environment while the anhydrous ammonia is in transit. It also covers how to respond to cases of accidental release. State and local safety regulations govern the handling, storage, and transport of anhydrous ammonia. Compliance with these regulations is considered to be adequate to prevent significant environmental impacts associated implementation of this project.

Certain catalysts used in NSCR and SCR may contain hazardous materials that must be properly disposed of at the end of their useful life. Compliance with existing waste disposal regulations is considered to be adequate to prevent significant environmental impacts associated with implementation of this project.

With the compliance of federal and state regulations, the transportation, storage, and use of anhydrous ammonia, aqueous ammonia, or urea and the release of ammonia slip emissions in conjunction with the operation of SCR as well as disposal of spent catalyst is not expected to have any adverse impact on the environment or living things. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would result in a significant environmental impact, as identified above (a-h).

Mitigation: None

Reference: Proposed Rule 4702 and supporting staff report.

IX. HYDROLOGY/WATER QUALITY Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X



IX. HYDROLOGY/WATER QUALITY (Continued)	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner, which would result in substantial erosion or siltation on- or off-site?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				X
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche, tsunami, or mudflow				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting hydrology/water quality. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on hydrology/water quality, as identified above (a-j).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				



X. LAND USE/PLANNING Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting land use/planning. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on land use/planning, as identified above (a-c).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				
XI. MINERAL RESOURCES Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting mineral resources. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on mineral resources, as identified above (a-b).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				



XII. NOISE Would the project result in:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				X
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting noise. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on noise, as identified above (a-f).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				



XIII. POPULATION/HOUSING Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X
<p>Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting population/housing. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on population/housing, as identified above (a-c).</p>				
<p>Mitigation: None</p>				
<p>Reference: Proposed Rule 4702 and supporting staff report.</p>				
XIV. PUBLIC SERVICES Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				X
Fire protection?				X
Police protection?				X
Schools?				X
Parks?				X
Other public facilities?				X



Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting public services. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on public services, as identified above (a).

Mitigation: None

Reference: Proposed Rule 4702 and supporting staff report.

XV. RECREATION Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting recreation. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on recreation, as identified above (a-b).

Mitigation: None

Reference: Proposed Rule 4702 and supporting staff report.



XVI. TRANSPORTATION/TRAFFIC Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Cause an increase in traffic, which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)? Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and on motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways? Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standard established by the county congestion management agency for designated roads of highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities? supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				X



Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting transportation/traffic. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on transportation/traffic, as identified above (a-f).

Mitigation: None

Reference: Proposed Rule 4702 and supporting staff report.

XVII. UTILITIES/SERVICE SYSTEMS Would the project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g) Comply with federal, state, and local statutes and regulations related to solid waste?				X



Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting utilities/service systems. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on utilities/service systems, as identified above (a-g).

Mitigation: None

Reference: Proposed Rule 4702 and supporting staff report.

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				X
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively Considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				X
c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?				X

Discussion: The proposed project is a rule development project. The purpose of this project is to amend existing District Rule 4702 (Internal Combustion Engines), which was adopted by the District's Governing Board in August 2003. The purpose of Rule 4702 is to limit the emissions of nitrogen oxide (NOx), carbon monoxide (CO), volatile organic compounds (VOC) from internal combustion engines. The proposed amendments to Rule 4702 would include: administrative changes to rule language, and lower the applicability threshold for stationary IC engines to a rated brake horsepower of 25 or greater. The project will seek to obtain reductions in NOx emissions, and does not impose requirements affecting Mandatory Findings of Significance. Therefore, the District concludes there is no substantial evidence of record to support a conclusion that approval and implementation of the project would have a detrimental impact on Mandatory Findings of Significance, as identified above (a-c).

Mitigation: None

Reference: Proposed Rule 4702 and supporting staff report.



Appendix A

Comments Received for Initial Study/Negative Declaration
Rule 4702 (Internal Combustion Engines)



STATE OF CALIFORNIA — BUSINESS, TRANSPORTATION AND HOUSING AGENCY

EDMUND G. BROWN, Jr., Governor

DEPARTMENT OF TRANSPORTATION
 DIVISION OF TRANSPORTATION PLANNING
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*Flex your power!
 Be energy efficient!*

July 29, 2011

Mark Montelongo
 San Joaquin Valley APCD
 1990 E. Gettysburg Avenue
 Fresno, CA 93657

Amendments to Rule 4702 (Internal Combustion Engines) (SCH No. 2011061089)

Dear Mr. Montelongo:

The California Department of Transportation (Caltrans) appreciates the opportunity to comment on the Initial Study and Draft Negative Declaration for Amendments to Rule 4702 (Internal Combustion Engines). Rule 4702 would limit emissions of nitrogen oxide (NOx), carbon monoxide (CO), and volatile organic compounds (VOC) from internal combustion engines.

At this time we have no specific comments or concerns, however, it is important to note that Rule 4702 would not cause any negative air quality impacts, but would only improve air quality by requiring cleaner, new engines to be used for this category of engine.

Please let me know if I can be of any assistance. My telephone number is 916.653.0808, and I can be reached via e-mail at: josh.pulverman@dot.ca.gov.

Sincerely,

Joshua Pulverman
 Statewide Local Development-Intergovernmental Review Coordinator
 Office of Community Planning

c: State Clearinghouse, Governor's Office of Planning and Research (OPR)
 Marcus Evans, Transportation Planning North, Caltrans District 6

"Caltrans improves mobility across California"



Appendix B

Response to Comments for Initial Study/Negative Declaration
Rule 4702 (Internal Combustion Engines)



The San Joaquin Valley Air Pollution Control District (District) provided a notice of intent to adopt a Negative Declaration for the proposed amendments to District Rule 4702 (Internal Combustion Engines). The Initial Study and Negative Declaration was available for public review and comment from July 1, 2011 to July 30, 2011.

The following party provided written comments on the Draft Negative Declaration:

- Department of Transportation – Division of Transportation Planning

All comments were duly considered and addressed in preparation of the Final Negative Declaration. A copy of the comment letter is incorporated into this document as Appendix A. A summary of salient comments and associated responses follow.

1. **Comment:** The Department of Transportation has no specific comments or concerns. However, it is important to note that Rule 4702 would not cause any negative air quality impacts, but would only improve air quality by requiring cleaner, new engines to be used for this category of engine.

Response: Comment noted. The District appreciates the Department of Transportation for taking the time to comment on the Initial Study/Draft Negative Declaration for proposed amendments to Rule 4702.