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California Environmental Quality Act NOTICE OF EXEMPTION

JUN 12 2023

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By J. GILARDI Deputy

TO: County Clerk Offices
Alameda County
Clerk-Recorder's Office
1106 Madison Street
Oakland, CA 94607

FROM: Bay Area Air Quality 21-2023-128
Management District
375 Beale Street, Suite 600
San Francisco, CA 94105
Contact: Barry Young, (415) 749-4721

**SUBJECT: FILING OF NOTICE OF EXEMPTION PURSUANT TO SECTION 21080(b)(8) OF THE
PUBLIC RESOURCES CODE AND CEQA GUIDELINES SECTION 15273**

PROJECT TITLE: Amendments to Regulation 3: Fees

Lead Agency and Public Agency Approving Project (Lead Agency): Bay Area Air Quality Management District (Air District)

Project Applicant and Entity Carrying Out Project: Air District

Project Applicant Address: 375 Beale Street, Suite 600, San Francisco, CA 94105

Project Applicant Contact Person: Barry Young, Senior Advanced Projects Advisor, 415-749-4721

Project Location: The regulation applies within the Bay Area Air Quality Management District ("Air District"), which includes all of **Alameda**, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, and the southern portions of Solano and Sonoma counties.

Project Description: The project consists of amendments to an existing Air District regulation that establishes fees for source operations and other activities. The amendments become effective on July 1, 2023. The amendments increase fee revenue to allow the Air District to meet budgetary needs for the upcoming fiscal year ending (FYE) 2024, and to continue to effectively implement and enforce regulatory programs for stationary sources of air pollution.

The following specific fees in Regulation 3 were proposed for a 6.3 percent increase: New and modified source fees, Emission Banking Fees, Emission Caps and Alternative Compliance Plans fee, Toxic Inventory maximum fee, Permit to Operate renewal processing fee, Assembly Bill 617 Community Health Impact fee cap, Criteria Pollutant and Toxic Emissions Reporting fee cap, Exemption Fee, Fee for Risk Reduction Plan, Fee for Facility-Wide Health Risk Assessment (HRA), and Fees for Air Dispersion Modeling.

The fee rates in the following Fee Schedules would be increased by 6.3 percent: Schedule I: Dry Cleaners, Schedule M: Major Stationary Source Fees, Schedule N: Toxic Inventory Fees, and Schedule P: Major Facility Review Fees. The fee rates in the following Fee Schedules would be increased by 15 percent: Schedule A: Hearing Board Fees, Schedule B: Combustion of Fuels, Schedule E: Solvent Evaporating Sources, Schedule F: Misc. Sources (storage silos, abrasive blasting), Schedule G-1: Misc. Sources (glass manufacturing, soil remediation), Schedule G-2: Misc. Sources (asphaltic concrete, furnaces), Schedule G-3: Misc. Sources (metal melting, cracking units), Schedule G-4: Misc. Sources (cement kilns, sulfur removal & coking units, acid manufacturing), Schedule H: Semiconductor and Related Operations, Schedule K: Solid Waste Disposal Sites, Schedule S: Naturally Occurring Asbestos Operations, Schedule T: Greenhouse Gas Fees, Schedule V: Open Burning and Schedule W: Petroleum Refining Emissions Tracking Fees. In Schedule C: Stationary Containers for the Storage of Organic Liquids, the base fee in the Risk Assessment Fee calculation was proposed to be increased by 24 percent. In Schedule D.A: Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants & Terminals, the Risk Assessment Fee for existing gas dispensing facilities was proposed to be increased by 15 percent. Metal shredding operations with a capacity less than or equal to 150 tons per hour were classified as a G2 source. Metal shredding

operations with a capacity greater than 150 tons per hour were classified as a G3 source. Schedule U: Indirect Source Review Fees was deleted.

These new fees were proposed: (1) Section 3-311.4: Evaluation of Existing ERCs for PM2.5, was added to separate this evaluation from Section 3-311.2 evaluations, (2) Section 3-311.5 ERC Condition Change: was added to separate this evaluation from Section 3-311.2 evaluations, (3) Section 3-330.1: Fee for Renewing an Authority to Construct was added to recover administrative costs and (4) Section 3-345: Evaluation of Plans, Regulation 6 was added to recover costs for work not previously charged a fee, (5) Section 3-346: Request for a Petition, Regulation 8 was added to recover costs for work not previously charged a fee, and (6) Section 3-347: Evaluation of Reports, Organic Waste Recovery Sites was added to recover costs for work not previously charged a fee.

Other proposed changes were (1) The definitions for Section 3-203: Filing Fee and Section 3-204: Initial Fee were modified, (2) Section 3-302.8 was added to clarify the calculation method of the Risk Assessment Fee, (3) Language was added to Section 3-307 to clarify the responsibility party of outstanding fees when a facility is transferred, (4) Industry Compliance School language which was previously cited in specific fees was consolidated in Section 3-419 and (5) Formatting and text clean-up.

On June 7, 2023, the Board of Directors of the Bay Area Air Quality Management District conducted a public hearing in accordance with California Health and Safety Code Section 41512.5, approved the project described above, and determined that the project was exempt from CEQA.

Finding of Exemption: This project is found to be exempt pursuant to Public Resources Code Section 21080, subd. (b)(8) and CEQA Guidelines Section 15273.

Basis for Exemption: The regulatory amendments which constitute this project modify charges by the Air District for sources of air pollution. The fees and modifications are for the purpose of meeting Air District operating expenses associated with the regulation of these sources and operations. The amendments are administrative in nature, do not affect air emissions from any sources, and have no possibility of causing significant environmental effects. As such, they fall within the statutory and guidelines exemptions cited above.


Pamela J. Leong
Director, Engineering Division
Bay Area Air Quality Management District


Date