

NOTICE OF DECISION

To: Office of the Secretary of the
California Natural Resources Agency
General Counsel's Office
1416 9th Street, Suite 1311
Sacramento, CA 95814

From: South Coast Air Quality Management
District (South Coast AQMD)
21865 Copley Drive
Diamond Bar, CA 91765

Subject: Filing of Notice of Decision in compliance with Public Resources Code Section 21080.5(d)(2)(E), CEQA Guidelines Section 15252(b), and South Coast AQMD Rule 110(f)

Project Title: Rule 2306 – Freight Rail Yards

State Clearinghouse Nos: 2022050287 and 2016071006

Lead Agency: South Coast AQMD
21865 Copley Drive
Diamond Bar, CA 91765

Lead Agency Contact: Jivar Afshar,
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Date of Certification / Project Approval: August 2, 2024

Project Location: The project is located in the South Coast AQMD jurisdiction, which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portion of the Salton Sea Air Basin, and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

Project Description: Rule 2306 implements Control Measures MOB-02A and MOB-02B of the 2022 Air Quality Management Plan (AQMP) and Control Measure MOB-02 of 2016 AQMP, and is designed to ensure that emission reductions of nitrogen oxides (NOx) will be achieved within the South Coast AQMD jurisdiction at levels that are proportional or more-than-proportional to NOx emission reductions throughout California from the implementation of recently adopted California Air Resources Board's (CARB's) In-Use Locomotive Regulation and Advanced Clean Fleets Regulation. Rule 2306 potentially applies to 25 known freight rail yards and will reduce regional emissions of NOx that are associated with the freight rail yards' on-road and off-road mobile emission sources including locomotives and drayage trucks subject to the two aforementioned CARB regulations, as well as from all other mobile sources associated with freight rail yards to transport or assist in transporting cargo or goods, as follows: 1) locomotives powering inbound and outbound trains; 2) heavy-duty trucks delivering or picking up cargo (full or empty containers and chassis) to and from freight rail yards; 3) cargo handling equipment used for moving and handling cargo within freight rail yards; 4) transportation refrigeration units on containers, trailers, railcars, and trucks; and 5) other supporting equipment. The NOx emission reduction targets in Rule 2306 for these various emission sources, in conjunction with CARB's In-Use Locomotive Regulation and Advanced Clean Fleets Regulation, are projected to reduce NOx emissions by an average of 10.5 tons per day over the 2027 – 2050 period.

Rule 316.2 – Fees for Rule 2306, was adopted as a companion rule to Rule 2306 and establishes administrative fees to be paid by freight rail yard owners or operators subject to Rule 2306. Rule 316.2 was crafted to ensure that South Coast AQMD recovers the reasonable regulatory costs associated with the implementation and compliance activities of Rule 2306. While Rule 316.2 is related to Rule 2306, it is statutorily exempt from CEQA and is not the focus of this Notice of Decision. A Notice of Exemption for Rule 316.2 has been filed and posted separately.

This is to advise that the South Coast AQMD Governing Board has made the following determinations and approved Rule 2306:


1. Rule 2306 is considered a “project” as defined by the California Environmental Quality Act (CEQA).
2. South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l), and has conducted a CEQA review and analysis of Rule 2306 pursuant to such program (South Coast AQMD Rule 110);
3. Rule 2306 implements Control Measures MOB-02A – Emission Reductions from New Rail Yards and MOB-02B – Emission Reductions from Existing Rail Yards which were previously adopted in the 2022 AQMP and Control Measure MOB-02 – Emission Reductions from Rail Yards which was previously adopted in the 2016 AQMP.
4. The Final Program Environmental Impact Report (EIR) for the 2022 AQMP, which included Findings, a Statement of Overriding Considerations, and a Mitigation, Monitoring, and Reporting Plan, was certified on December 2, 2022 (State Clearinghouse No. 2022050287), and the Final Program EIR for the 2016 AQMP, which also included Findings, a Statement of Overriding Considerations, and a Mitigation, Monitoring, and Reporting Plan, was certified on March 3, 2017 (State Clearinghouse No. 201607100); both Final Program EIRs evaluated the control measures which are being relied upon for Rule 2306, and analyzed their potential environmental impacts.
5. No new Initial Study would need to be prepared leading to either an EIR or a Negative Declaration pursuant to CEQA Guidelines Section 15168 (c)(1) because: i) there are no substantial changes proposed to the previously adopted Control Measures MOB-02A and MOB-02B in the 2022 AQMP and Control Measure MOB-02 in the 2016 AQMP which are being relied upon in Rule 2306; ii) there is no new information of substantial importance to Control Measures MOB-02A and MOB-02B previously adopted in the 2022 AQMP and Control Measure MOB-02 previously adopted in the 2016 AQMP, and the new information is not comprised of new significant effects or substantially worsened or more severe significant effects that were not previously analyzed in the Final Program EIRs for the 2016 AQMP and 2022 AQMP; iii) there are no new or modified physical changes that would result from implementing Rule 2306 which were not previously analyzed in the Final Program EIRs for the 2016 AQMP and 2022 AQMP; and iv) there is no change to the previously adopted mitigation measures or the previously considered alternatives in the Final Program EIRs for the 2022 AQMP and 2016 AQMP. Thus, in accordance with CEQA Guidelines Section 15168 (c)(2), a subsequent EIR pursuant to CEQA Guidelines

Section 15162 is not required and the Final Program EIRs for the 2022 AQMP and 2016 AQMP can be relied on for CEQA compliance.

6. The mitigation measures developed in the Final Program EIRs for the 2022 AQMP and 2016 AQMP for the previously adopted control measures in the 2022 AQMP and 2016 AQMP upon which Rule 2306 relies are also applicable to the implementation of Rule 2306 and will remain in effect. (CEQA Guidelines Section 15168 (c)(3).
7. Based on substantial evidence in the record and in accordance with the noticing requirements in CEQA per CEQA Guidelines Section 15168 (e), Rule 2306 is a later activity within the scope of the program approved earlier for the 2022 AQMP and 2016 AQMP per CEQA Guidelines Section 15168 (c), and the Final Program EIR for the 2022 AQMP and the Final Program EIR for the 2016 AQMP adequately describe and analyze the activities associated with implementing Rule 2306 for the purposes of CEQA compliance such that no new environmental document is required. The analysis supporting this conclusion can be found in Appendix A of the Final Staff Report for Proposed Rule 2306 and Proposed Rule 316.2.

The following documents and records of approval by the South Coast AQMD Governing Board may be examined at South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765:

- 1) Final Program EIR for the 2022 AQMP and the corresponding Findings, Statement of Overriding Considerations, and Mitigation, Monitoring, and Reporting Plan;
- 2) Final Program EIR for the 2016 AQMP and the corresponding Findings, Statement of Overriding Considerations, and Mitigation, Monitoring, and Reporting Plan;
- 3) Proposed Rule 2306 – Freight Rail Yards Rule and Proposed Rule 316.2 – Fees for Rule 2306;
- 4) Proposed Rule 2306 Calculation Methodology and Data Appendix, and other supporting documentation; and
- 5) Final Staff Report for Proposed Rule 2306 and Proposed Rule 316.2, which includes the detailed CEQA analysis in Appendix A.

<p>_____</p> <p>Date Received for Filing</p>	<p>Signature:</p>	<p style="text-align: center;"></p> <p style="text-align: right;"><u>August 2, 2024</u></p>
		<p>Kevin Ni Program Supervisor, CEQA Planning, Rule Development, and Implementation</p>