NOTICE OF DECISION

To: Office of the Secretary of the From: South Coast Air Quality Management

California Natural Resources Agency District (South Coast AQMD)

General Counsel's Office 21865 Copley Drive 1416 9th Street, Suite 1311 Diamond Bar, CA 91765 Sacramento, CA 95814

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: Proposed Amended Rule 1151 – Motor Vehicle and Mobile Equipment Non-

Assembly Line Coating Operations

State Clearinghouse No: 2022050287

Lead Agency: South Coast AQMD Lead Agency Contact: Farzaneh Khalaj, Ph.D.

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Date of Certification / Project Approval: November 1, 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: The project is comprised of amended Rule 1151 which is designed to include a future effective prohibition on the use of para-chlorobenzotrifluoride (pCBtF) and tert-Butyl Acetate (t-BAc), two solvents that are exempt from the definition of a volatile organic compound (VOC) but that have been deemed as potential carcinogens by the Office of Environmental Health Hazard Assessment (OEHHA). Amended Rule 1151 includes a phase-out timeline for pCBtF and t-BAc, along with a commitment to determine the feasibility of emission reductions through conducting technology assessments and seeking input from stakeholders. Amended Rule 1151 affects approximately 3,000 automotive refinishing facilities in the South Coast AOMD jurisdiction and is designed to implement Control Measure CTS-01 – Further Emission Reductions from Coatings, Solvents, Adhesives, and Lubricants of the 2022 Air Quality Management Plan (AQMP). To expedite the transition away from pCBtF and t-BAc, Amended Rule 1151 will allow automotive coatings formulated to meet the U.S. Environmental Protection Agency (U.S. EPA) National VOC content limits to be temporarily sold and used during a three to five-year period, provided the formulations do not include pCBtF or t-BAc; this period is referred to as Phase I. The transition away from pCBtF and t-BAc-containing coatings will result in a temporary increase in VOC emissions of 4.82 tons per day (tpd) (equivalent to 9,640 pounds per day) during the Phase I period. The Phase II period will begin on January 1, 2028, for a majority of coating categories, and during this period facilities will begin to transition away from the higher-VOC coatings to reformulated low-VOC coatings that do not contain pCBtF or t-BAc. This transition to Phase II will result in an overall permanent decrease in VOC emissions of 0.19 tpd (equivalent to 380 pounds per day). To address the temporary increase in VOC emissions during Phase I (referred to herein as temporary VOC emission reductions foregone), the 2022 AQMP has a State Implementation Plan (SIP) set-aside account which reserved 4.0 tpd of VOC emissions specifically designated for the potential technology assessment and phase-out of toxics for VOC-based rules as targeted by Control Measure CTS-01. Since its adoption, the amount of VOC reserves in the SIP set-aside account was revised to 3.0 tpd. Nonetheless, any temporary VOC emission reductions foregone for amending the various VOC-based rules, as is the case for PAR 1151, will be offset by the VOC emission reduction reserves in the set-aside account. Also, Amended Rule 1151 will result in permanently reducing the toxicity of the coatings which will protect public health.

This is to advise that the South Coast AQMD Governing Board has made the following determinations and approved the above-described project:

- 1. Amended Rule 1151 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 Amended Rule 1151 pursuant to such program (South Coast AQMD Rule 110).
- 3. Amended Rule 1151 implements Control Measure CTS-01 Further Emission Reductions from Coatings, Solvents, Adhesives, and Lubricants which was previously adopted in the 2022 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, and which was certified on December 2, 2022 (State Clearinghouse No. 2022050287), evaluated the control measure, which is being relied upon for Amended Rule 1151, and analyzed its potential environmental impacts.
- No new Initial Study would need to be prepared leading to either an EIR or a Negative 5. Declaration pursuant to CEQA Guidelines Section 15168(c)(1) because: i) there are no substantial changes proposed to the previously adopted Control Measure CTS-01 in the 2022 AQMP which is being relied upon in Amended Rule 1151; ii) there is no new information of substantial importance to the Control Measure CTS-01 that was previously adopted in the 2022 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 EIR for the 2022 AQMP; iii) there are no new or modified physical changes that would result from implementing Amended Rule 1151 which were not previously analyzed in the Final Program EIR for the 2022 AQMP; and iv) there is no change to the previously adopted mitigation measures or the previously considered alternatives in the Final Program EIR for the 2022 AQMP. Thus, in accordance with CEQA Guidelines Section 15168(c)(2), a subsequent EIR pursuant to CEQA Guidelines Section 15162 would not be required and the Final Program EIR for the 2022 AQMP can be relied on for CEQA compliance.

- 6. The mitigation measures developed in the Final Program EIR for the 2022 AQMP for the previously adopted control measure in the 2022 AQMP upon which amended Rule 1151 relies are also applicable to the implementation of Amended Rule 1151 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), Amended Rule 1151 is a later activity within the scope of the program approved earlier for the 2022 AQMP per CEQA Guidelines Section 15168(c), and the Final Program EIR for the 2022 AQMP adequately describes and analyzes the activities associated with implementing Amended Rule 1151 for the purposes of CEQA compliance such that no new environmental document will be required. The analysis supporting this conclusion can be found in Appendix A of the Final Staff Report for Proposed Amended Rule 1151.

The following documents and records of project approval 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) Proposed Amended Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations;
- 3) Final Staff Report for Proposed Amended Rule 1151, which includes the CEQA analysis in Appendix A, and other supporting documentation; and
- 4) The November 1, 2024, Governing Board package for Proposed Amended Rule 1151, which includes other supporting documents.

Implementation

Date Received for Filing

Signature:

Kevin Ni
Program Supervisor, CEQA
Planning, Rule Development, and