

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET
SAN FRANCISCO, CA 94109

CEQA INITIAL STUDY

BACKGROUND

Project

Proposed amendments to Bay Area Air Quality Management District Regulation 9, Rule 11: Nitrogen Oxides and Carbon Monoxide from Utility Electric Power Generating Boilers.

Lead Agency

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Contact Person

The contact person at the BAAQMD for questions regarding the proposed amendments to the Rule or this initial study is Kenneth Lim, Ph.D., at 415-749-4710 or by e-mail at klim@baaqmd.gov.

Project Location

This rule applies within the area covered by the Bay Area Air Quality Management District. The District includes all of seven counties - Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Napa - and portions of two others - southwestern Solano and southern Sonoma.

Project Description

The proposed project consists of amendments to an existing District rule, Regulation 9, Rule 11, which requires reductions of NOx emissions from existing electric power generating steam boilers. In accordance with state law, AB 1890, the electric utility industry is being restructured under the direction of the California Public Utility Commission (CPUC). As a result, the original owner/operator of all the sources regulated by Regulation 9-11, PG&E, has divested three of the four facilities that contain these sources in the Bay Area. Under electric utility industry restructuring, the system of these boilers may no longer be a CPUC-regulated utility in the future, and as such, could, in theory, possibly avoid the requirements of the District Rule under the premise of non-applicability.

The proposed amendments are intended to ensure the continued applicability of the Rule to the affected boilers and to streamline compliance under the various possible ownership changes from the once single public electric utility. The

amendments remove references to CPUC regulatory status, substitute generic state, federal, and local exemption requirements, and clarify definitions of an electric power generating system and an emergency natural gas curtailment.

With the clarified definition of an electric power generating system, each power plant or group of power plants under common ownership can be its own electric power generating system. Thus, each power plant or group of power plants commonly owned can meet the NOx emission standards of the Rule by meeting the systemwide emission rate limit year by year as specified in Subsection 309.1 of the Rule. The proposed amendments recognize industry divestiture and allows the same emission averaging for multiple facilities under common ownership as permitted under the current Rule. The emissions from two or more "bubbled" facilities, each "bubble" independently meeting the Rule systemwide emission limit, would be identical or slightly less than the collective emissions of a single "bubble", as was the case before industry restructuring when a single entity, PG&E, owned all the affected facilities.

Environmental Setting

The BAAQMD is classified as a nonattainment area for the California and federal ambient air quality standards for ozone. The environmental setting for this rule is fully described in the final EIR prepared for the Bay Area 1991 Clean Air Plan.

Other Approvals Required

None

Environmental Factors Potentially Affected

A check beside an impact category below indicates that, for the category, this project involves 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"/> Hazards/Hazardous Mat'l | <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 | |
| <input checked="" type="checkbox"/> No Potentially Significant Impacts | | |

DETERMINATION

On the basis of this initial evaluation:

- I find the proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be 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 revisions in the project have been made by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.

- I find the proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.

- I find the proposed project **MAY** have a “potentially significant impact” or “potentially significant unless mitigated” impact 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. An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effects that remain to be addressed.

- 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 all potentially significant effects (1) have been analyzed adequately in an earlier EIR pursuant to applicable standards, and (2) have been avoided or mitigated pursuant to that earlier EIR, including revisions or mitigation measures from the EIR that are imposed upon the proposed project.

Kenneth Lim, Ph.D.
Principal Air Quality Engineer

Date

ENVIRONMENTAL IMPACT CHECKLIST

(Note: All answers are explained on attached sheets.)

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
1. Aesthetics. Would the proposal:				
a. Have a substantial adverse effect on a scenic vista?	_____	_____	_____	_____ X _____
b. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	_____	_____	_____	_____ X _____
c. Substantially degrade the existing visual character or quality of the site and its surroundings?	_____	_____	_____	_____ X _____
d. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	_____	_____	_____	_____ X _____
2. Agriculture Resources. Would the proposal:				
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. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?	_____	_____	_____	_____ X _____
3. Air Quality. Would the proposal:				
a. Conflict with or obstruct implementation of the applicable air quality plan?	_____	_____	_____	_____ X _____

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	_____	_____	<u> X </u>	_____
c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	_____	_____	_____	<u> X </u>
d. Expose sensitive receptors to substantial pollutant concentrations?	_____	_____	<u> X </u>	_____
e. Create objectionable odors affecting a substantial number of people?	_____	_____	_____	<u> X </u>
4. Biological Resources. Would the project:				
a. Have a substantial adverse effect, either directly or through habitat modification, 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?	_____	_____	_____	<u> X </u>
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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?	_____	_____	_____	<u> X </u>
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>

5. Cultural Resources. Would the project:

a. Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	_____	_____	_____	<u> X </u>
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	_____	_____	_____	<u> X </u>
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	_____	_____	_____	<u> X </u>
d. Disturb any human remains, including those interred outside of formal cemeteries?	_____	_____	_____	<u> X </u>

6. Geologic and Soils. Would the project:

a. Expose people or structure to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i. Rupture of 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 the Division of Mines and Geology Special Publication 42)	_____	_____	_____	<u> X </u>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
ii. Strong seismic ground shaking?	_____	_____	_____	<u> X </u>
iii. Seismic-related ground failure, including liquefaction?	_____	_____	_____	<u> X </u>
iv. Landslides?	_____	_____	_____	<u> X </u>
b. Result in substantial soil erosion or the loss of topsoil?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
e. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	_____	_____	_____	<u> X </u>

7. Hazards and Hazardous Materials. Would the project:

a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
c. Emit hazardous materials or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	_____	_____	_____	<u> X </u>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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 create a significant hazard to the public or the environment?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
g. Impair the implementation of, or physically interfere with, an adopted emergency response plan or emergency evacuation plan?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>

8. Hydrology and Water Quality. Would the project:

a. Violate any water quality standards or waste discharge requirements?	_____	_____	_____	<u> X </u>
b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net reduction 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)?	_____	_____	_____	<u> X </u>

	Potentially Significant Impact	Less Than Significant With Mitigation	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?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
e. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	_____	_____	_____	<u> X </u>
f. Otherwise substantially degrade water quality?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
h. Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>
j. Inundation by seiche, tsunami, or mudflow?	_____	_____	_____	<u> X </u>
9. Land Use and Planning. Would the project:				
a. Physically divide an established community?	_____	_____	_____	<u> X </u>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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?	_____	_____	_____	<u> X </u>
c. Conflict with any applicable habitat conservation plan or natural community conservation plan?	_____	_____	_____	<u> X </u>

10. Mineral Resources. Would the project:

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?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>

11. Noise. Would the project result in:

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?	_____	_____	_____	<u> X </u>
b. Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	_____	_____	_____	<u> X </u>
c. A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	_____	_____	_____	<u> X </u>
d. A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	_____	_____	_____	<u> X </u>

	Potentially Significant Impact	Less Than Significant With Mitigation	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 expose people residing or working in the project area to excessive noise levels?	_____	_____	_____	<u> X </u>
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?	_____	_____	_____	<u> X </u>

12. Population and Housing. Would the project:

a. Induce substantial 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)?	_____	_____	_____	<u> X </u>
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	_____	_____	_____	<u> X </u>
c. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	_____	_____	_____	<u> X </u>

13. Public Services. For any of the following public services, would the project require the construction of new or physically-altered governmental facilities to maintain acceptable service ratios, response times, or other performance objectives, thereby producing significant environmental impacts:

a. Fire protection?	_____	_____	_____	<u> X </u>
b. Police protection?	_____	_____	_____	<u> X </u>
c. Schools?	_____	_____	_____	<u> X </u>
d. Parks?	_____	_____	_____	<u> X </u>
e. Other public facilities?	_____	_____	_____	<u> X </u>

Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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14. Recreation.

- | | | | | |
|--|-------|-------|-------|---------------------|
| a. Would the project 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? | _____ | _____ | _____ | <u> X </u> |
| b. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment? | _____ | _____ | _____ | <u> X </u> |

15. Transportation and Traffic. Would the project:

- | | | | | |
|--|-------|-------|-------|---------------------|
| 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)? | _____ | _____ | _____ | <u> X </u> |
| b. Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways? | _____ | _____ | _____ | <u> X </u> |
| c. Produce a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? | _____ | _____ | _____ | <u> X </u> |
| d. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersection) or incompatible uses (e.g., farm equipment)? | _____ | _____ | _____ | <u> X </u> |
| e. Result in inadequate emergency access? | _____ | _____ | _____ | <u> X </u> |
| f. Result in inadequate parking capacity? | _____ | _____ | _____ | <u> X </u> |
| g. Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)? | _____ | _____ | _____ | <u> X </u> |

Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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16. Utilities and Service Systems. Would the project:

- | | | | | |
|---|-------|-------|-------|---------------------|
| a. Exceed the wastewater treatment requirements of the applicable Regional Water Quality Control Board? | _____ | _____ | _____ | <u> X </u> |
| 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? | _____ | _____ | _____ | <u> X </u> |
| 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? | _____ | _____ | _____ | <u> X </u> |
| d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? | _____ | _____ | _____ | <u> X </u> |
| 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? | _____ | _____ | _____ | <u> X </u> |
| f. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? | _____ | _____ | _____ | <u> X </u> |
| g. Comply with federal, state, and local statutes and regulations related to solid waste? | _____ | _____ | _____ | <u> X </u> |

17. Mandatory Findings of Significance.

	Potentially Significant Impact	Less Than Significant With Mitigation	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?	_____	_____	_____	<u> X </u>
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.)	_____	_____	_____	<u> X </u>
c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	_____	_____	_____	<u> X </u>

DISCUSSION OF ENVIRONMENTAL IMPACTS

Proposed Amendments to Regulation 9, Rule 11: Nitrogen Oxides and Carbon Monoxide from Utility Electric Power Generating Boilers

This section of the Initial Study explains the reasons for checking the particular items checked in the checklist.

Background

The electric utility industry is being restructured under the direction of the California Public Utilities Commission (CPUC), in accordance with state law, AB 1890. As a result, PG&E, the original owner/operator of all the sources regulated by Regulation 9, Rule 11, has divested three of the four facilities that contain these sources in the Bay Area. It could be argued that the new owner/operator(s) of these divested facilities may no longer be a CPUC-regulated utility and as such is not subject to the requirements of the Rule.

The Environmental Impact Report that was completed by the CPUC for the divestiture project identified Mitigation Measure 4.5-5, certified by the California Environmental Quality Act (CEQA) Lead Agency, CPUC Commissioners Decision 98-11-064, November 19, 1998. That mitigation measure directed the responsible air quality agency, the BAAQMD, to revise the existing facility operating permits to include the NO_x emission rate limits of Regulation 9-11, or to amend the Regulation to ensure its applicability to non-CPUC regulated utilities. The operating permit modifications were accomplished by the District on April 1, 1999, prior to the April 16, 1999 plant divestitures, thereby assuring the NO_x rate limits would remain in effect. The present project, i.e., the proposed rule amendments, would provide additional assurance that the emission reductions expected from Regulation 9-11 will be achieved even under regulatory restructuring and facility ownership changes. It should be emphasized that the present CEQA project is not divestiture, but it is air pollution control district rule amendment to ensure that the same NO_x emission reduction requirements are maintained regardless of divestiture.

Because the proposed rule amendments primarily restate and ensure clarity of existing requirements already in the current rule and/or imposed through existing facility operating permits, the proposed rule amendments do not alter existing air quality obligations of the affected facilities. Thus the rule amendments should not have any significant impact on the NO_x controls installed or to be installed or how they are operated. Any impacts on the environmental factors check list are expected to be less than significant or no impact. Nevertheless, an explanation follows for each of the impact categories.

1. Aesthetics

Even assuming that the proposed rule amendments would result in installation of additional control equipment that would not occur under the existing permits, there will be no aesthetic impacts because the rule applies to existing industrial facilities and any impacts would be limited to these facilities.

2. Agriculture Resources

The Rule affects existing boilers located in large power generating facilities. These facilities are not located on agricultural land and the rule cannot have any impacts on agricultural resources.

3. Air Quality

The current Regulation 9, Rule 11 allows for a facility to comply with NO_x emission standards on a boiler by boiler basis or on an equivalent systemwide basis. Until recently, a single entity, PG&E, owned all four affected power plants or facilities and elected to comply with the rule by averaging emissions over all four plants, under the Advanced Technology Alternative Emission Control Plan option contained in Regulation 9-11. With the proposed amendments, a facility or group of facilities divested or sold to new owner could elect to independently comply with the Rule's systemwide emission rate limit. The total emissions from these multiple "bubbles" would be the same or slightly less than those from a single "bubble" that included all the facilities, as was the case before PG&E divested some of the plants. Thus, the proposed amendments would result in the same emissions or slightly less, and therefore the project should have no significant adverse environmental impact on air quality.

It could be argued that requiring a new owner that buys or removes boilers or facilities from the once single electric power generating system (i.e., regulated monopoly) to comply with individual boiler emission limits may result in slightly lower emissions than allowing a new separate emission "bubble." However, that argument is moot because the current Rule already allows compliance by either of the two alternatives: boiler by boiler emission limit compliance or compliance with a single "bubble" average covering all affected facilities. Besides, the difference in emission reductions from a bubble or by boiler by boiler compliance is not considered significant. Furthermore, the existing environmental setting for air quality in the San Francisco Bay Area basin is already in compliance with the state and federal NO₂ standards, and NO_x is being regulated only as an ozone precursor. As such, NO_x is considered to be a regional pollutant and possible slight changes in emissions from the affected facilities as a result of these rule amendments would not be significant.

Another air quality issue that has been raised is that, due to power plant divestiture and CPUC deregulation of the electric utility industry, the new owner/operators of the affected boilers could potentially increase their capacity

factors and significantly increase emissions of NOx and PM10. First of all, it should be noted that this CEQA study is a review of the District's project which is the rule amendment, not the CPUC's divestiture project. The same speculative changes in plant operation could occur under the current rule with or without divestiture. Thus the issue of divestiture impacts is more properly addressed under the CPUC divestiture project, not the District's rule amendment project. Nevertheless, it is informative to review the findings of the CPUC CEQA review. Indeed, these emission impact issues of divestiture have already been addressed at great length by the Environmental Impact Report (EIR) prepared and certified by the CEQA lead agency, the California Public Utilities Commission, Commissioners Decision 98-11-064, November 19, 1998. The EIR concluded that significant increased power production and NOx emissions due to divestiture are plausible but highly unlikely (EIR, pages 3-12 ff. and 4.5-81. Indeed, the EIR states that Regulation 9-11 control requirements will mitigate this potential increase, and if such an increase were to occur, it would only be a temporary effect in the year 2000 time frame.

In point of fact, the EIR identified this proposed rule amendment as a necessary CEQA Mitigation Measure 4.5-5 for the CPUC's divestiture project, to ensure that the Rule continues to apply even if the power plants are no longer CPUC-regulated utilities. Adoption of the proposed amendments will facilitate the continued enforcement of Regulation 9-11 requirements and would help ratchet down the potential increased emissions, if they were to occur, to less than significant levels in subsequent years. The EIR also concluded that air quality modeling of the worst case NOx and PM10 emissions, due to increased power plant operation, has demonstrated that the potential emission increases are not significant, even at the local level, based on the state's health-based, ambient air quality standards.

4. Biological Resources

No impacts to plant or animal life are anticipated. The installation of any control equipment to comply with the proposed rule amendments will not interrupt or disturb plant or animal habitat because any construction would occur at existing facilities.

5. Cultural Resources

The proposed rule amendments are not expected to have any impact on paleontological, archaeological or historical sites, or affect ethnic values or religious uses.

6. Geology and Soils

The proposed rule amendments will not result in construction outside of existing industrial facilities. As a result, no geologic impacts of any kind are anticipated.

7. Hazards and Hazardous Materials

The current Rule will likely result in the use of selective catalytic reduction (SCR) controls that entail the use of catalysts that may contain hazardous materials, and aqueous ammonia which is also a hazardous material. Their use has been fully addressed in the original EIR that evaluated the District Clean Air Plan and the Rule. The proposed rule amendments will have no significant impact on the use of these materials since the emission control requirements are the same.

8. Hydrology and Water Quality

No construction outside of existing facilities is expected. No impacts on hydrology or water quality are expected.

9. Land Use and Planning

No potential impacts on land use and planning are expected from the proposed rule amendments since the requirements would apply to existing industrial facilities and have no land use or planning impacts.

10. Mineral Resources

The proposed amendments will not affect use of any mineral resource. No impacts are expected.

11. Noise

Any emission control systems installed to comply with the proposed rule amendments would be located inside existing facilities and in areas zoned for industrial use or already subjected to industrial noise. In addition, local government regulations would require industries to install sound attenuating devices or sound walls for any equipment that would cause significant noise impacts. As a result, no noise impacts are expected.

12. Population and Housing

Implementation of the proposed rule amendments is not expected to affect local or regional population or residential housing patterns because no major relocation or growth inducement is anticipated, nor is any displacement of housing or residents expected.

13. Public Services

The use and safe handling of ammonia has been discussed under Hazards and Hazardous Materials. The rule amendments will have no impact on the use of ammonia.

14. Recreation

No adverse impacts on the quality or quantity of existing recreational opportunities are anticipated from implementation of the proposed rule amendments. Recreational areas will not be affected.

15. Transportation and Traffic

Implementation of the proposed rule amendments is not expected to result in any significant travel related impacts. This proposal will not change vehicular movement, impact existing transportation systems (including water, rail, and air traffic), alter present patterns of circulation of people and goods, or alter parking. Therefore, no significant transportation or circulation impacts are anticipated.

16. Utilities and Service Systems

No impacts are expected.

17. Mandatory Findings of Significance

The proposed amendments to Regulation 9, Rule 11 are essentially administrative in nature and should not have any significant impact on the emissions or emission reductions of NO_x from the affected power plants. In fact, adoption of these amendments are necessary to ensure the continued applicability of the Rule to these power plants.