

**Appendix E
Notice of Exemption**

To: Solano County Administrators Office
675 Texas Street, Suite 6500
Fairfield, CA 94533

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

Project Title: Interchangeable Emission Reduction Credit Banking Application Number 19792

Project Location - Specific: Valero Refining Company - California
3400 East Second St., Benicia, CA 94510

Project Location - City: Benicia

Project Location - County: Solano

Description of Nature, Purpose and Beneficiaries of Project: This application is to bank Interchangeable Emission Reduction Credits (IERCs) generated by emission reductions that occurred at sources S-3 Crude Preheat Furnace F-101 and S-4 Reduced Crude Preheat Furnace F-102 at the Valero Refinery. These IERCs are approved for banking in accordance with BAAQMD Regulation 2, Rule 9, Interchangeable Emission Reduction Credits. These IERCs may only be used in accordance with restrictions set forth in Regulation 2, Rule 9.

Name of Public Agency Approving Project: Bay Area Air Quality Management District

Name of Person or Agency Carrying Out Project: N/A

Exempt Status (check one)

- Ministerial (Sec. 15073)
- Declared Emergency (Sec. 15071(a))
- Emergency Project (Sec. 15071 (b) and (c))
- Categorical Exemption.
- Other. (Sec. 15061(b)(3)) Regulation 2, Rule 1, Section 312.10: Application to deposit emission reductions in the emission bank

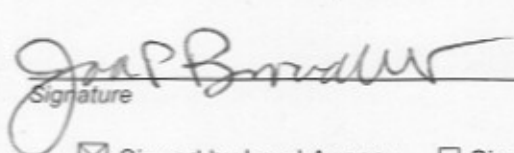
Reasons why project is exempt: It can be seen with certainty that there is no possibility that the approval of these IERCs for banking will have a significant effect on the environment. Approval of this application is therefore not subject to CEQA review. These IERCs may not be used without a separate review and approval by the BAAQMD. There is no possibility that the banking of these credits alone may have a significant effect on the environment. Any potential or future environmental impacts associated with the use of these IERCs are separate projects which will undergo separate evaluations pursuant to Regulation 2, Rule 9 and CEQA.

Lead Agency Contact Person: Greg Stone

Telephone Number: (415) 749-4745

If filed by applicant

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

 8/7/09 Executive Officer / APCO
Signature Date Title

Signed by Lead Agency Signed by Applicant Date received for filing at OPR: _____