

ATTACHMENT

CEQA FINDINGS

Findings for Adoption of Thresholds of Significance

In compliance with Section 15064.7(b) of the State of California's Guidelines for the Implementation of the California Environmental Quality Act (Title 14, California Code of Regulations, Sections 15000 *et. seq.*), the governing Board of the Santa Barbara County Air Pollution Control District makes the following findings:

Thresholds of significance to be adopted for general use as part of the lead agency's environmental review process must be adopted by ordinance, resolution, rule or regulation, and developed through a public review process and be supported by substantial evidence.

The Board has adopted this threshold of significance by resolution, following a public review process. The public review process entailed:

- Four duly noticed public workshops held on May 6, 2014 in Santa Maria, on May 8 and December 3, 2014 in Santa Barbara, and on March 25, 2015 in Buellton.
- Two public stakeholder meetings on June 17, 2014 and August 7, 2014 in Santa Barbara.
- One duly noticed meeting of the District Community Advisory Council held on March 25, 2015 in Buellton.
- One duly noticed special meeting of the Board of the Santa Barbara County Air Pollution Control District on April 16, 2015 in Santa Maria.
- Regular emails to 165 stakeholders and interested parties.
- A page on the District's web site dedicated to the process, including copies of presentations from each workshop, notes from each workshop, copies of all public comments received, the staff report, and material prepared in response to feedback received throughout the process.

The governing Board of the Santa Barbara County Air Pollution Control District finds that its adoption of the threshold of significance is supported by the following considerations and substantial evidence:

1. A 10,000 metric tons of carbon dioxide equivalent per year (MTCO_{2e}/year) threshold is low enough to capture a substantial amount of future projects, while setting the threshold high enough to intentionally exclude small projects that, in aggregate, will contribute a relatively small amount of cumulative statewide greenhouse gas emissions. As example, a total of 418 stationary sources reported 1,001,607 MTCO_{2e} of greenhouse gas emissions to the Santa Barbara County Air Pollution Control District in 2013. Of this total, 12 sources reported greenhouse gas emissions in excess of 10,000 MTCO_{2e}, accounting for 818,506 MTCO_{2e}, or approximately 82 percent of the aggregate emissions and less than 3 percent of all stationary sources. One of the policy objectives of setting this threshold is to encourage project proponents to design their projects in the most energy and greenhouse gas efficient way possible, while minimizing administrative burden on smaller greenhouse gas sources. A threshold of 10,000 MTCO_{2e}/year is more appropriate than a zero threshold, because it will assure that greenhouse gas mitigation will be implemented for a large majority of emissions, while not resulting in substantial administrative requirements for projects that individually produce only a small contribution towards cumulative statewide greenhouse emissions.

2. When adopting thresholds of significance, a lead agency may consider thresholds of significance previously adopted or recommended by other public agencies. The following agencies have adopted stationary source greenhouse gas emission significance thresholds of 10,000 MTCO₂e per year:
 - a. South Coast Air Quality Management District (adopted in 2008)
 - b. Bay Area Air Quality Management District (adopted in 2010)
 - c. San Luis Obispo Air Pollution Control District (adopted in 2012)
 - d. Sacramento Metropolitan Air Quality Management District (adopted in 2014)
 - e. Mendocino County Air Pollution Control District (adopted in 2010)
 - f. San Diego County Air Pollution Control District (adopted in 2013)

Section 3.7 of the District's *Revisions to District Environmental Review Guidelines Staff Report* (Staff Report), included as Attachment 6 to the Board Package, contains more detail on the thresholds adopted by other agencies throughout the state and the process by which they were adopted.

3. Further evidence to support adopting a 10,000 MTCO₂e/year "bright line" threshold is the "case by case" determination by the County of Santa Barbara, which used a bright line 10,000 MTCO₂e/yr threshold in an Environmental Impact Report for the Santa Maria Energy Oil Drilling and Production Plan and Laguna County Sanitation District Phase 3 Recycled Water Pipeline (County of Santa Barbara, 2013). As a CEQA responsible agency for this project, the District provided consultation and review of the air quality impact analysis, including climate change/greenhouse gas impacts.
4. A 10,000 MTCO₂e/year "bright line" threshold reflects a "fair-share" contribution of mitigation from stationary-source projects in Santa Barbara County, considering it reflects the same "fair-share" standard applied by a broader portion of southern California coastal regions and mitigation is required to alleviate a cumulative impact in a manner that is consistent with state-wide goals. Application of different threshold based on a 90 percent or larger capture rate of emissions in Santa Barbara County would place a greater economic burden on new stationary-source projects, by way of requiring more mitigation of projects, and by way of requiring more projects with individually lesser emissions to be subjected to mitigation, instead of being screened out where projected emissions are less than 10,000 MTCO₂e/year. Accordingly, a more stringent threshold (that is, either a zero-emission threshold or one based on a 90 percent capture rate based on Santa Barbara County emissions data alone) would increase the administrative burden of the permitting process for smaller projects in Santa Barbara County without a proportional in the benefit toward achieving California's "fair-share" reduction in greenhouse gas emissions.
5. Lowering the threshold to target a different specific emission rate, such as 1,000 MTCO₂e/year or 5,000 MTCO₂e/year faces the same obstacle as targeting a specific percent capture rate. If the threshold is lowered more projects would be captured, but relatively less mitigation per project would be achieved. For example a threshold of 5,000 MTCO₂e/year would capture approximately 11 more sources (increasing by 91.7 percent the total number of sources captured compared to a 10,000 MTCO₂e/year threshold), but would only capture 73,472 MT more of GHG emissions (increasing the captured emissions by 9.0 percent compared to a 10,000 MTCO₂e/year threshold). Lowering the threshold to 1,000 MTCO₂e/year would increase the number of sources subject to CEQA by 408.3 percent compared to a 10,000 MTCO₂e/year threshold, but would only increase the captured emissions by 20.6 percent compared to a 10,000 MTCO₂e/year threshold. Lower threshold levels do capture a larger number of sources within the inventory, however these smaller sources have a very low amount of potential for GHG mitigation on a per-project basis, because their GHG emissions are very small as compared to the entire inventory. It should also be noted that Santa Barbara County's stationary source inventory is relatively small in comparison to other larger air

districts in California. This is demonstrated in the Environmental Impact Report for the Santa Maria Energy Oil Drilling and Production Plan and Laguna County Sanitation District Phase 3 Recycled Water Pipeline in Figure 5.1-1a at Page 5.1-8, which shows the three largest air districts in California all have stationary source GHG emission inventories between 20 and 30 million MTCO₂e/year, as compared to Santa Barbara County's inventory of approximately 1 million MTCO₂e/year (County of Santa Barbara, 2013).

Findings for Revisions to the District's Environmental Review Guidelines

The project to revise the District's Environmental Review Guidelines to include a greenhouse gas significance threshold and to incorporate other minor updates and revisions, is exempt from CEQA review pursuant to CEQA Guidelines Section 15064.7, Thresholds of Significance, and Section 15378, Definition of a Project. A Notice of Exemption is attached.