

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

**FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT FOR THE
SUNSHINE GAS PRODUCERS RENEWABLE ENERGY PROJECT**

**ATTACHMENT 1: FINDINGS, STATEMENT OF OVERRIDING CONSIDERATIONS,
AND MITIGATION, MONITORING AND REPORTING PLAN**

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1.0 INTRODUCTION

Sunshine Gas Producers, L.L.C. (SGP) is proposing to develop and operate a gas turbine electrical generation facility at the existing Sunshine Canyon Landfill (SCLF) in northern Los Angeles County, California. The SCLF is within the South Coast Air Basin (Basin), which is under the jurisdiction of the South Coast Air Quality Management District (SCAQMD). SGP is proposing to install five gas turbines that would utilize currently flared landfill gas (LFG) to generate power. No component of the currently proposed project would expand landfill capacity or increase the amount of waste that can be accepted on a daily, monthly or annual basis. Because the SCAQMD has primary approval authority over the proposed project, it is the lead agency under the California Environmental Quality Act (CEQA) and is responsible for preparing a Subsequent Environmental Impact Report (SEIR) to the *Final Environmental Impact Report for the Sunshine Canyon Landfill Extension* (State Clearinghouse No. 89071210) and the *Final Subsequent Environmental Impact Report, Sunshine Canyon Landfill* (State Clearinghouse No. 92041053).

SGP is a Michigan limited liability company, jointly owned by DTE Biomass Energy (DTE) and Landfill Energy Systems (LES) under the management of DTE. Headquartered in Ann Arbor, Michigan, DTE is a wholly owned subsidiary of DTE Energy. LES is headquartered in Wixom, Michigan, and is a wholly owned subsidiary of EIF Renewable Energy Holdings, LLC.

SGP has contracted with Republic Services, Inc. (formerly Browning-Ferris Industries of California, Inc. [BFI]), the owner and operator of SCLF, to obtain LFG from SCLF to operate five gas turbines. SGP and Republic Services are separate corporate entities. A more detailed project location and project description for the proposed project is provided in Chapter 2 of the Final SEIR. Throughout this document, references to “proposed project” or “Sunshine Gas Producers Renewable Energy Project” (SGPREP) are one and the same and are used interchangeably.

In spite of the fact that the proposed project does not in any way expand landfill capacity, LFG produced by the landfill will continue to increase in the future because of continued disposal of municipal wastes. Pursuant to SCAQMD Rule 1150.1 – Control of Gaseous Emissions from Municipal Solid Waste Landfills, LFG at SCLF must be collected and controlled. The collected LFG is currently flared in compliance with Rule 1150.1. Rather than flaring all LFG, the proposed project would combust LFG in gas turbines to produce electricity, up to the LFG capacity limits of the turbines, thus, providing a beneficial use of a renewable resource that would otherwise be wasted. The proposed project would not alter SCLF’s ability to comply with Rule 1150.1. Further, the proposed project has the potential of displacing nonrenewable fossil fuel electrical generation, resulting in a reduction of future criteria pollutant and greenhouse gas (GHG) emissions from nonrenewable projects. The environmental analysis in the Final SEIR focuses on potentially significant adverse impacts that could be generated by the proposed project. Because the SGPREP does not affect the capacity or the amount of waste received by SCLF, SCLF operations are only addressed to the extent that they contribute to cumulative impacts.

The proposed LFG treatment modifications were determined to be a “project” as defined by CEQA and the Public Resources Code (PRC) §21000 et. seq. The SCAQMD is lead agency because it has the greatest responsibility for supervising or approving the project as a whole

(CEQA Guidelines §15051(b)) and, therefore, has prepared a Final SEIR pursuant to CEQA Guidelines §15089, §15132, and §15162.

2.0 CERTIFICATION OF THE FINAL SEIR

The decision-making body of the SCAQMD certifies that it has been presented with the Final SEIR and that it has reviewed and considered the information contained in the Final SEIR prior to making the following certifications and findings.

Pursuant to CEQA Guidelines §15090 (Title 14 of the California Code of Regulations, §15090), the decision-making body certifies that the Final SEIR has been completed in compliance with the CEQA statutes and the State CEQA Guidelines. The decision-making body certifies the Final SEIR for the actions described in these findings and in the Final SEIR, i.e., the proposed project. The decision-making body further certifies that the Final SEIR reflects its independent judgment and analysis.

2.1 ENVIRONMENTAL REVIEW PROCESS

To fulfill the purpose and intent of CEQA, the SCAQMD, as the lead agency for the proposed project, prepared and released a Notice of Preparation and Initial Study (NOP/IS) to initially identify potentially significant adverse environmental impacts associated with the proposed project to be further analyzed in the Draft SEIR. The NOP/IS was circulated from November 9, 2009 through December 18, 2009, in compliance with the requirement for a minimum comment period of 30 days. The NOP/IS was circulated to neighboring jurisdictions, responsible agencies, other public agencies, and interested individuals in order to solicit input on the scope of the environmental analysis to be included in the Draft SEIR. Seven comment letters were received relative to the NOP/IS during the public comment period and responses to these comments, as well as comments documented during a public scoping meeting on December 9, 2009, are provided in Appendix C of the Draft SEIR. The NOP/IS formed the basis for, and focus of, the technical analyses in the Draft SEIR. The following environmental topics were identified in the NOP/IS as potentially significant and were further analyzed in the Draft SEIR: air quality, noise and mandatory findings of significance. The NOP/IS concluded that there would be no significant adverse impacts on aesthetics, agricultural resources, biological resources, cultural resources, energy, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, population and housing, public services, recreation, solid and hazardous waste, and transportation and traffic. Based on comments received during the public comment period for the NOP/IS, cultural resources, energy, geology and soils, and hydrology and water quality were also addressed in the Draft SEIR. A copy of the NOP/IS is included in Appendix A of the Final SEIR.

The Draft SEIR for the SGPREP was released for a 45-day public review and comment period from May 10, 2011 through June 23, 2011. As with the NOP/IS, the Draft SEIR was circulated to neighboring jurisdictions, responsible agencies, other public agencies, and interested individuals in order to solicit input on the scope of the environmental analysis to be included. Ten comment letters were received during the public comment period on the Draft SEIR. Responses to the comment letters have been prepared and are included in Appendix J of the Final SEIR. Changes to the proposed project were evaluated and minor modifications have been made to the Draft SEIR such that it is now a Final SEIR. However, none of the modifications alter any

of the conclusions reached in the Draft SEIR or provide new information of substantial importance relative to the draft document that would require recirculation of the Draft SEIR pursuant to CEQA Guidelines §15088.5. The environmental disciplines that were determined to have potentially significant impacts or were commented upon, and were further analyzed in the SEIR, included air quality, cultural resources, energy, geology and soils, hydrology and water quality, and noise. After further environmental analyses, significant adverse environmental impacts from the proposed project are expected to occur after implementing mitigation measures for air quality, including project-specific particulate matter less than 2.5 microns in diameter (PM_{2.5}) emissions during operation, cumulatively considerable PM_{2.5} emissions during operation, and cumulatively considerable GHG emissions during construction and operation. Both Findings and a Statement of Overriding Considerations are required for the potentially significant adverse air quality impacts from operation of the proposed project per CEQA Guidelines §15091 and §15093, respectively.

The Final SEIR consists of the NOP/IS (November 2009; Appendix A of the Final SEIR) and Draft SEIR (May 2011) with tracked minor modifications. The Final SEIR includes the following: a project description, environmental setting, environmental impacts, mitigation measures, cumulative impacts, project alternatives, SCLF Mitigation, Monitoring and Reporting Summary (Appendix B of the Final SEIR), responses to comments on the NOP/IS (Appendix C of the Final SEIR), air emissions calculations (Appendix D of the Final SEIR), air permit application documents and landfill gas generation and collection review (Appendix E of the Final SEIR), example construction equipment recordkeeping forms (Appendix F of the Final SEIR), cultural resources assessment (Appendix G of the Final SEIR), geologic evaluations (Appendix H of the Final SEIR), noise study (Appendix I of the Final SEIR), responses to comments on the Draft SEIR (Appendix J of the Final SEIR), and air emissions reduction assessment (Attachment A to Appendix J of the Final SEIR). All documents comprising the Final SEIR for the proposed project are available at the SCAQMD, 21865 Copley Drive, Diamond Bar, California, 91765. The Final SEIR was made available to the public on April 18, 2012 and can be obtained by contacting the SCAQMD's Public Information Center at (909) 396-2039 or by accessing the SCAQMD's CEQA webpage at <http://www.aqmd.gov/ceqa/nonaqmd.html>.

2.2 SUMMARY OF THE PROPOSED PROJECT

The proposed project would involve the utilization of methane-rich LFG extracted from SCLF, which is currently flared, as fuel in new gas turbines to drive electricity generators. The proposed project would use Solar Turbines Mercury 50 gas turbine electricity generator sets that have a total gross electricity generation capacity of 24.5 megawatts (MW), and a net output of 20 MW.

The proposed project would include the construction and operation of the following new equipment and structures: five recuperated single-cycle gas turbine electricity generator sets, LFG compressors, gas treatment equipment, an enclosed flare ("SGPREP flare"), one substation ("SGP Substation"), one Southern California Edison (SCE) switchyard ("SCE Switchyard"), an extension of the existing SCE subtransmission line ("SCE Subtransmission Line"), two buildings, and a parking lot. Other than minor changes to controllers, programming, and connections to the existing landfill gas collection system, no changes would be made to existing landfill equipment. The proposed project would also include the installation of a water supply pipeline and telecom line from the landfill entrance to the proposed project site.

To support the proposed SGP Facility construction and operations, SCE would construct a switchyard and subtransmission line. The SCE Switchyard would be equipped with one structure containing three circuit breakers arranged in a ring-bus configuration with two incoming SCE lines, one subtransmission pole, and one feed to the SGP Facility and a metering room. The SCE Subtransmission Line would extend subtransmission lines from the existing subtransmission line to the proposed project and require the relocation of an internal BFI power pole, which is currently located in close proximity to SCLF Flare 8.

2.3 ABSENCE OF NEW INFORMATION

CEQA Guidelines Section 15088.5 requires a lead agency to recirculate an EIR for further review and comment when significant new information is added to the EIR after public notice is given of the availability of the draft EIR but before certification of the final EIR. New information added to an EIR is not “significant” unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect that the project proponent declines to implement. The Guidelines provide examples of significant new information under this standard. Recirculation is not required where the new information added to the EIR merely clarifies or amplifies or makes insignificant modifications in an adequate EIR.

The decision-making body of the SCAQMD recognizes that the Final SEIR incorporates information obtained by SCAQMD since the Draft SEIR was completed, and contains additions and clarifications. With respect to this information, the decision-making body finds as follows.

Updated Information: As described in the Final SEIR, since the Draft SEIR was circulated, a number of environmental topic areas were clarified and described in more detail in response to comments. Examples of modifications between the Draft and Final SEIR are summarized below, and discussed in more detail throughout the Response to Comments document (included in Appendix J of the Final SEIR):

- As a result of the comments received, the project proponent worked with the turbine manufacturer and the manufacturer was able to guarantee lower carbon monoxide (CO) emissions. This resulted in modified calculations and determination that CO impacts were less than significant.
- Based on comments received, additional evaluation of potential control technologies was conducted, as summarized in response to Comment 4-3.
- Comments identified additional sensitive receptor locations for consideration with regard to air quality and noise impacts, which resulted in additional localized air quality and noise modeling. There was no resulting change to impact significance determinations.
- The Cultural Resources Assessment was modified to include the small additional disturbance areas associated with the water pipeline installation and maintenance grading for a roadway associated with the SGPREP. Findings did not result in changes to significance determinations.
- Additional geotechnical surveys were conducted at the proposed project location, the results of which indicated that onsite soil would meet geological standards for use as fill in the construction of the SGPREP. The construction truck traffic duration has been

reduced as a result, since the amount of imported materials has been substantially reduced.

- Additional cumulatively related projects were located within the two mile radius of the proposed project. The inclusion of these cumulatively related projects did not result in changes to any cumulative significance determinations.

The decision-making body finds that these changes to SGPREP are in accordance to requests by responsible agencies or other entities to comply with their regulatory requirements and processes, but do not cause any new or more severe environmental impacts. Therefore, in accordance with CEQA and the CEQA Guidelines, no recirculation of the SEIR is necessary based on the changes to SGPREP.

Responses to Comments: In response to comments, a number of environmental topic areas were clarified and described in more detail. The decision-making body finds that this additional information does not constitute significant new information requiring recirculation, but rather that the additional information clarifies or amplifies an adequate SEIR. Specifically, the decision-making body finds that the additional information including the changes described above, does not show that:

1. A new significant environmental impact would result from the project.
2. A substantial increase in the severity of an environmental impact would result.
3. A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the significant environmental impacts of the project, but the project's proponents decline to adopt it.
4. The Draft SEIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

Based on the foregoing reasons, and having reviewed the information contained in the Final SEIR and in the record of SCAQMD's proceedings, including the comments on the Draft SEIR and the responses thereto, and the above-described information, the decision-making body hereby finds that no significant new information has been added to the Final SEIR since public notice was given of the availability of the Draft SEIR that would require recirculation of the SEIR.

2.4 DIFFERENCES OF OPINION REGARDING THE IMPACTS OF THE PROJECT

In making its determination to certify the Final SEIR and to approve the proposed project, the decision-making body recognizes that the proposed project involves a number of controversial environmental issues and that a range of opinion exists with respect to those issues. The decision-making body has acquired an understanding of the range of opinion by its review of the Draft SEIR, the comments received on the Draft SEIR and the responses to those comments in the Final SEIR. Additionally, the decision-making body has its own experience and expertise in assessing air quality effects and in administering its regulatory and permitting programs. The decision-making body has reviewed and considered, as a whole, the evidence and analysis

presented in the Draft SEIR, the analysis presented in the comments on the Draft SEIR, the analysis presented in the Final SEIR, and the expert opinions of SCAQMD staff addressing those comments. The decision-making body has gained a comprehensive and well-rounded understanding of the environmental issues presented by the proposed project. In turn, this understanding has enabled the decision-making body to make its decisions after weighing and considering the various viewpoints on these important issues. The decision-making body accordingly certifies that its findings are based on full appraisal of all of the information contained in the Final SEIR, as well as the evidence and other information in the record.

2.5 IMPACTS AND MITIGATION MEASURES

This attachment provides the written analysis and conclusions of the decision-making body regarding the environmental impacts of the proposed project and the mitigation measure proposed in the Final SEIR and adopted by the decision-making body. In making these findings, the decision-making body has considered the opinions of other members of the public, including opinions that disagree with some of the analysis used in the SEIR. The decision-making body finds that the appropriate methodology for calculating effects and determining significance is a judgment within the discretion of the decision-making body; the method of analysis used in the Final SEIR is supported by substantial evidence in the record, including the expert opinions of the SCAQMD staff; and the significance thresholds used in the Final SEIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the proposed project.

Table 1 below summarizes the environmental determinations of the Final SEIR regarding the proposed project’s impacts. This table does not attempt to describe the full analysis of each environmental impact contained in the Final SEIR. Instead, Table 1 provides a summary description of each impact and states the decision-making body’s findings on the significance of each impact. A full explanation of these environmental findings and conclusions can be found in the Final SEIR. These findings hereby incorporate by reference the discussion and analysis in the Final SEIR supporting the Final SEIR’s determinations regarding the proposed project’s impacts and mitigation measures designed to address those impacts. In making these findings, the decision-making body ratifies, adopts, and incorporates the analysis and explanation in the Final SEIR, and ratifies, adopts, and incorporates in these findings the determinations and conclusions of the Final SEIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings. Findings need not be made for environmental impacts that are not significant.

Table 1
Summary of Environmental Impacts, Mitigation Measures and Residual Impacts

Impact	Project-Specific Impact	Cumulative Impact
Air Quality		
Construction NO _x emissions	Mitigated to less than significant	Mitigated to less than significant
Construction emissions for VOC, CO, PM ₁₀ , PM _{2.5} , & SO _x	Not significant	Not significant

Table 1
Summary of Environmental Impacts, Mitigation Measures and Residual Impacts

Impact	Project-Specific Impact	Cumulative Impact
Localized construction impacts for NO ₂ , CO, PM ₁₀ , & PM _{2.5}	Not significant	Not significant
Operational PM _{2.5} emissions	Significant	Significant
Operational cancer & non-cancer health risks	Not significant	Not significant
GHG impacts	Not applicable	Significant
Cultural Resources		
Adversely affect historical/ archaeological resources, destroy paleontological/ geologic resources, or disturb human remains	Not significant	Not significant
Energy		
Create energy supply impacts during construction & operation	Not significant	Not significant
Geology and Soil		
Create seismic activity, soil erosion, soil stability, soil compatibility with septic systems	Not significant	Not significant
Hydrology and Water Quality		
Water quality & water demand impacts	Not significant	Not significant
Noise		
Operation noise, ground vibration, permanent noise, & construction noise impacts	Not significant	Not significant

Notes:

NO₂ = nitrogen dioxide

NO_x = nitrogen oxides

PM₁₀ = particulate matter less than 10 microns in diameter

SO_x = sulfur oxides

VOC = volatile organic compound

3.0 FINDINGS

When considering the approval of a proposed project, CEQA prohibits a public agency from approving or carrying out the project for which a CEQA document has been completed which identifies one or more significant adverse environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding (CEQA Guidelines §15091). The analysis in the Final EIR concluded that the proposed project has the potential to generate significant adverse air quality impacts from operational activities associated with the proposed project.

Having received, reviewed, and considered the Final SEIR and other information in the record of proceedings, the decision-making body hereby adopts the findings below in compliance with CEQA and the CEQA Guidelines. The following sets forth findings for the significant adverse impacts identified in the Final SEIR that cannot be reduced to insignificance, those that can be mitigated to less than significant, and the rationale for each finding. The findings are supported by substantial evidence in the record as explained in each finding. These findings will be included in the record of project approval and will also be noted in the Notice of Determination.

3.1 POTENTIALLY SIGNIFICANT IMPACTS WHICH CANNOT BE MITIGATED TO A LEVEL OF INSIGNIFICANCE

The Final SEIR identified one potentially significant project-specific adverse environmental impact that cannot be reduced to a level of insignificance: air quality criteria pollutant emissions for PM_{2.5} associated with operation. The Final SEIR also identified two potentially significant cumulative adverse environmental impacts that cannot be reduced to a level of insignificance: (1) cumulative air quality PM_{2.5} emission impacts associated with operation, and (2) cumulative GHG impacts associated with construction and operation.

3.1.1 Operational Emissions of PM_{2.5} Would Exceed SCAQMD Regional Significance Thresholds

Finding: The decision-making body finds that (1) although the project as proposed would generate potential operational emissions less than required by current best available control technology (BACT) requirements, PM_{2.5} emissions would exceed the applicable regional operational significance threshold, (2) neither internal offsets nor PM_{2.5} emission reduction credits (ERCs) are available for this project, and 3) no feasible measures were identified that would mitigate this significant adverse operational PM_{2.5} air quality impact to insignificance during operation. The air quality analysis showed that no other criteria pollutant emissions during operation would exceed any of the applicable regional significance thresholds.

Explanation: The project-specific operational emissions of PM_{2.5} are expected to exceed the applicable SCAQMD regional significance threshold (see Final SEIR Subsection 4.2.3.4). An analysis of potential mitigation measures was conducted to determine if operational PM_{2.5} emissions could be mitigated to less than the applicable regional significance threshold. The analysis identified no feasible mitigation measures that could reduce PM_{2.5} emissions below the level of significance. Source control and the use of onsite offsets and offsite ERCs were evaluated to make this determination as explained in the following paragraphs.

Consistent with SCAQMD Rule 1303 – Requirements, the turbines and SGPREP flare would be constructed using BACT for all criteria pollutants, including PM₁₀. BACT is defined by SCAQMD Rule 1302 as the most stringent emission limitation or control technique which has been achieved in practice for a similar source, found in certain regulations, or determined by the SCAQMD's Executive Officer to be feasible. Installation of BACT results in the lowest achievable emission rate for stationary source equipment. Once the stationary source equipment complies with BACT requirements, by definition there are no additional stationary source controls that would be feasible that could provide further control of PM₁₀ emissions.

PM_{2.5} has recently been included in the SCAQMD's Regulation XIII – New Source Review (Rule 1325, adopted June 3, 2011). Rule 1325 applies to new sources with the potential to emit 100 tons per year (tpy) or existing sources with potential increases of 100 tpy or more of PM_{2.5} or its precursors. The proposed project would have the potential to emit 94 pounds per day of PM_{2.5}, which would result in an annual increase of up to 17 tpy over baseline conditions. Because the proposed project would not result in new emissions greater than 100 tpy, the proposed project would not be subject to PM_{2.5} offsets under Rule 1325. However, a large fraction of PM₁₀ is comprised of PM_{2.5} (up to 99 percent for some stationary sources). Reducing PM₁₀ emissions by providing PM₁₀ offsets, as this project does, would also serve to reduce PM_{2.5} emissions.

Evaluation of potential PM_{2.5} mitigation options indicated that there are no onsite surplus emission reductions available that could help mitigate significant adverse PM_{2.5} impacts. SGPREP emissions sources are designed to be constructed using BACT for PM₁₀, which also reduces PM_{2.5} emissions, as a large fraction of PM₁₀ is comprised of PM_{2.5}. Accordingly, there are no additional reductions of PM_{2.5} that can be obtained from the new SGPREP stationary sources. The three existing enclosed flares at the SCLF would need to remain fully operational to continue complying with SCAQMD Rule 1150.1.¹ Similarly, there are virtually no existing or future operational mobile sources at the SGPREP site which could be used to mitigate PM_{2.5} emissions by reducing the number of vehicle trips or by replacing existing vehicles with cleaner or alternative fueled mobile sources. Consequently, there is no potential for onsite emission reductions of PM_{2.5} from stationary or mobile sources.

ERCs are not available for PM_{2.5} in the Basin. Without available ERCs, there are no other feasible mitigation measures or project alternatives that could reduce significant air quality impacts to less than significant.

As discussed in the air permit documentation (Appendix E of the Final SEIR), the emission control efficiency for the proposed project goes substantially beyond current BACT/Lowest Achievable Emission Rate (LAER) requirements (i.e., is lower emitting) compared to controlled emissions from other similar landfill gas to electricity generation facilities, especially PM₁₀/PM_{2.5},² and other nonattainment pollutant precursors (SO_x, NO_x and VOC as precursors to particulate matter and ozone). In response to comments submitted on the Draft SEIR, a survey was performed to identify potential technologies that could provide further emission reductions from the proposed project. The survey evaluated numerous technologies to determine if they could provide additional emission reductions. The survey concluded that no technologies could feasibly provide lower emission rates. In addition, most technologies evaluated had the potential

¹ To ensure that total LFG combustion at SCLF (flares and proposed turbines) does not exceed total LFG combustion analyzed in the 1999 Final SEIR (20,835 standard cubic feet per minute (scfm) at an assumed LFG methane content of 40 percent), as part of the current Title V permit renewal process for SCLF, a new Title V Facility-wide Condition will be included as a condition of the Title V permit. The new permit condition would not allow total LFG combustion at SCLF (flares and proposed turbines) to exceed 16,100 scfm based on a 50 percent methane concentration, which is equivalent to 20,835 scfm at an assumed LFG methane content of 40 percent. Due to the fluctuating nature of methane content in LFG the SGPREP Title V condition is given in MMBTU/Hr and equates to a flow rate of approximately 10,170 scfm of gas at 40% methane, which is the average methane content of LFG at SCLF, which is approximately equal to 8,500 scfm of gas at 50% methane identified in the Draft SEIR, plus or minus one percent methane.

² BACT for PM_{2.5} has not been established by SCAQMD; however, because the vast majority of PM₁₀ from combustion is PM_{2.5}, PM₁₀ BACT would reduce PM_{2.5} emissions.

to substantially increase existing impacts or create new impacts. This survey is included as Attachment A to the Response to Comments (Attachment A to Appendix J of the Final SEIR).

3.1.2 Cumulative Operational Emissions of PM_{2.5} Associated with the Proposed Project and Other Cumulative Projects Could Result in Significant Adverse Air Quality Impacts

Finding: The SCAQMD's decision-making body makes the following findings with respect to cumulative PM_{2.5} air quality impacts: (1) use of BACT does not reduce the PM_{2.5} emissions to less than the applicable project-specific significance threshold, (2) neither internal offsets nor PM_{2.5} ERCs are available for this project, (3) no feasible mitigation measures are available to lessen significant adverse PM_{2.5} impacts during operations, and (4) feasible mitigation measures have not been identified for all other cumulative projects.

Explanation: The project-specific operational emissions of PM_{2.5} are expected to exceed the applicable SCAQMD regional significance threshold (see Final SEIR Subsection 5.3.2). An analysis of potential mitigation measures was conducted to determine if operational PM_{2.5} emissions could be mitigated to less than significant levels. The analysis identified no feasible mitigation measures that could reduce PM_{2.5} emissions below the level of significance. Source control, the use of onsite offsets and the use of offsite ERCs were evaluated to make this determination, as explained in the following paragraphs.

Consistent with SCAQMD Rule 1303 – Requirements, the turbines and auxiliary flare would be constructed using BACT for all criteria pollutants, including PM₁₀. BACT is defined by SCAQMD Rule 1302 as the most stringent emission limitation or control technique which has been achieved in practice for a similar source, found in certain regulations, or determined by the SCAQMD's Executive Officer to be feasible. Installation of BACT results in the lowest achievable emission rate for stationary source equipment, so once the stationary source equipment complies with BACT requirements, by definition there are no additional stationary source controls that would be feasible that could provide further control of PM₁₀ emissions.

PM_{2.5} has recently been included in the SCAQMD's Regulation XIII – New Source Review (Rule 1325, adopted June 3, 2011). Rule 1325 applies to new sources with the potential to emit 100 tpy or existing sources with potential increases of 100 tpy or more of PM_{2.5} or its precursors. The proposed project would have the potential to emit 94 pounds per day of PM_{2.5}, which would result in an annual increase of up to 17 tpy. Because the proposed project would not result in new emissions greater than 100 tpy, the proposed project would not be subject to PM_{2.5} offsets under Rule 1325. However, a large fraction of PM₁₀ is comprised of PM_{2.5} (up to 99 percent for some stationary sources). Reducing PM₁₀ emissions by providing PM₁₀ offsets, as this project does, would also serve to reduce PM_{2.5} emissions.

Evaluation of potential PM_{2.5} mitigation options indicated that there are no onsite surplus emission reductions available that could help mitigate significant adverse PM_{2.5} impacts. SGPREP emissions sources are designed to be constructed using BACT for PM₁₀, which also reduces PM_{2.5} emissions, as a large fraction of PM₁₀ is comprised of PM_{2.5}. Accordingly, there are no additional reductions of PM_{2.5} that can be obtained from the new SGPREP stationary sources. The three existing enclosed flares at the SCLF would need to remain fully operational

to continue complying with SCAQMD Rule 1150.1.³ Similarly, there are virtually no existing or future operational mobile sources at the SGPREP site, which could be used to provide mitigation in the form of reducing the number of vehicle trips or replacing existing vehicles with cleaner or alternative fueled mobile sources. Consequently, there is no potential for onsite emission reductions of PM_{2.5} from stationary or mobile sources.

ERCs are not available for PM_{2.5} in the SCAQMD. Without available ERCs, there are no other feasible mitigation measures or project alternatives that could reduce significant air quality impacts to insignificance.

As discussed in the air permit documentation (Appendix E of the Final SEIR), the emission control efficiency for the proposed project goes substantially beyond current BACT/LAER requirements (i.e., is lower emitting) compared to controlled emissions from other similar landfill gas to electricity generation facilities, especially PM₁₀/PM_{2.5}⁴, and other nonattainment pollutant precursors (SO_x, NO_x and VOC as precursors to particulate matter and ozone). In response to comments submitted on the Draft SEIR, a survey was performed to identify potential technologies that could provide further emission reductions from the proposed project. The survey evaluated numerous technologies to determine if they could provide additional emission reductions. The survey concluded that no technologies could feasibly provide lower emission rates. In addition, most technologies evaluated had the potential to substantially increase existing impacts or create new impacts. This survey is included as Attachment A to the Response to Comments (Attachment A to Appendix J of the Final SEIR).

Because operational PM_{2.5} emissions cannot be mitigated to less than significant levels, cumulative impacts from operational PM_{2.5} emissions cannot be mitigated to less than significant levels and are, therefore, expected to exceed the applicable SCAQMD significance thresholds.

Because project-specific regional PM_{2.5} emissions exceed the applicable regional PM_{2.5} significance threshold, they are considered to be cumulatively considerable as defined by CEQA Guidelines §15064(h)(1). As a result, operational PM_{2.5} emissions from the proposed project are concluded to be cumulatively significant.

SGP does not have any authority to control operational emissions from the non-SGP owned/operated projects that were considered in the cumulative impacts analysis. For the cumulative projects listed where the SCAQMD is the lead agency, feasible mitigation measures will be imposed as necessary. However, most of the cumulatively related projects identified in

³ To ensure that total LFG combustion at SCLF (flares and proposed turbines) does not exceed total LFG combustion analyzed in the 1999 Final SEIR (20,835 standard cubic feet per minute (scfm) at an assumed LFG methane content of 40 percent), as part of the current Title V permit renewal process for SCLF, a new Title V Facility-wide Condition will be included as a condition of the Title V permit. The new permit condition would not allow total LFG combustion at SCLF (flares and proposed turbines) to exceed 16,100 scfm based on a 50 percent methane concentration, which is equivalent to 20,835 scfm at an assumed LFG methane content of 40 percent. Due to the fluctuating nature of methane content in LFG the SGPREP Title V condition is given in MMBTU/Hr and equates to a flow rate of approximately 10,170 scfm of gas at 40% methane, which is the average methane content of LFG at SCLF, which is approximately equal to 8,500 scfm of gas at 50% methane identified in the Draft SEIR, plus or minus one percent methane.

⁴ BACT for PM_{2.5} has not been established by SCAQMD; however, because the vast majority of PM₁₀ from combustion is PM_{2.5}, PM₁₀ BACT would reduce PM_{2.5} emissions.

Chapter 5 of the Final SEIR have another entity or agency acting as lead agency that is responsible for implementing feasible mitigation measures if required.

3.1.3 Cumulative GHG Emissions Associated with the Proposed Project and other Cumulative Projects Could Result in Significant Adverse Air Quality Impacts

Finding: SCAQMD's decision-making body makes the following findings with respect to significant adverse cumulative GHG impacts: (1) project-specific mitigation measures were incorporated into the proposed project that would reduce significant adverse GHG impacts, but could not reduce significant adverse GHG impacts to less than significant levels; (2) such mitigation measures are within the jurisdiction of the SCAQMD; (3) no other feasible mitigation measures are available to lessen the significant impact from GHG emissions; and (4) feasible mitigation measures have not been identified for all other cumulative projects.

Explanation: The cumulative GHG emissions are expected to exceed the applicable SCAQMD significance threshold for industrial projects (see Final SEIR Subsection 5.3.5). In contrast to criteria pollutants and toxic air contaminant emissions which are evaluated in comparison to a daily significance threshold, GHG emissions are compared to an annual significance threshold, which incorporates both construction and operational emissions. The construction GHG emissions from the proposed project are amortized over the expected lifetime of project operation (30 years) and the result is added to the annual operational emissions. However, a mitigation measure has been added to the Final SEIR requiring the project proponent to offset all construction GHG emissions from the proposed project as quantified in the Final SEIR by contributing funds to the SCAQMD's Rule 2702 – Greenhouse Gas Reduction Program. The remaining total sum is compared to the GHG significance threshold for industrial sources. The increase in GHG emissions from the proposed project compared to baseline conditions would exceed the SCAQMD's applicable GHG significance threshold for industrial sources.

Future LFG production at the landfill will increase as a result of the ongoing waste acceptance at the landfill and is independent of the proposed project. SCLF will add flaring capacity to accommodate the increasing LFG production, which is also independent of the proposed project. The combustion of increasing LFG emissions in the proposed turbines versus the existing and future SCLF flares would, in general, not add new GHG emissions. GHGs from the proposed project would include: turbine GHG emissions (identical to SCLF flares due to equivalent methane destruction efficiency), water supply, onsite waste (i.e., waste generated by onsite workers), and construction GHG emissions amortized over a 30-year project span. The calculated GHG emission rate for the combustion of an equal volume of LFG methane in either device is nearly identical. In other words, increases in future GHG emissions will occur as a result of increasing quantities of LFG, not due to flare versus turbine technology.

Because of anticipated increases in future LFG emissions, the No Project Alternative (see Final SEIR Subsection 6.4.1; "Alternative 1") would produce GHG emission increases similar to those of the proposed project. The great majority of GHG emissions from the proposed project are a result of an increasing quantity of LFG at the landfill, rather than the change in LFG control technology. Alternative 1 would generate slightly less GHG emissions compared to the proposed project (the difference is a result of the water supply, onsite waste and construction emissions from the proposed project). Further, based on CEQA's requirement to compare the

impacts of a proposed project with the existing setting, which is established when the Notice of Preparation of an EIR is circulated to the public (§15125(a)), GHG emission impacts from Alternative 1, that is, not building the LFG-to-energy gas turbine project, would also exceed the GHG significance threshold because of increasing LFG quantities over time.

An analysis of potential mitigation measures was conducted to determine if GHG emissions could be mitigated to a less than significant level. The results of the analysis identified the following GHG mitigation measures as applicable to the proposed project:

1. The use of LFG from the decomposition of waste materials deposited in the landfill to generate the fuel used in the project, and
2. The use of this renewable fuel to generate electricity that could displace fossil-fuel generated electricity.
3. Pursuant to SCAQMD Rule 2702 – Greenhouse Gas Reduction Program, the project proponent (or its successors) shall contribute \$36,000 to the SCAQMD’s Greenhouse Gas Reduction Program, which is approximately double the amount of the Rule 2702 Participation Fee of \$15 per metric ton, to ensure that all construction GHG emissions as quantified in the FSEIR are mitigated. The project proponent shall pay the GHG mitigation fee to the SCAQMD before starting project construction.

These three GHG mitigation measures are considered to comprise all feasible mitigation by the SCAQMD. It is anticipated that actual GHG emission impacts from the proposed project could also offset GHG emissions from other sources, as it may displace production of higher GHG intensive energy with energy produced from renewable resources (i.e., LFG). The potentially beneficial effects of offsetting GHG emissions that would result from the replacement of higher GHG intensive energy cannot be quantified due to: 1) the uncertainty of the GHG generated by the energy being replaced, and 2) the uncertainty regarding the extent to which the project’s energy is being used to accommodate growth in the region and would, therefore, be considered new energy rather than replacement energy. Consequently, cumulative GHG emission impacts remain significant in spite of implementation of the two mitigation measures identified above.

3.2 POTENTIALLY SIGNIFICANT IMPACTS WHICH CAN BE MITIGATED TO A LEVEL OF INSIGNIFICANCE

3.2.1 Construction NO_x Emissions from the Proposed Project Would be Expected to Result in a Potentially Significant Adverse Impact that Could be Reduced to Less Than Significant

Finding: SCAQMD’s decision-making body makes the following findings with respect to significant adverse NO_x construction air quality impacts: (1) the project proponent shall use engines meeting the California Tier 3 off-road compression ignition engine certification standards (Title 13, California Code of Regulations, Section 2423) for the SGP Facility construction and equipment installation (i.e., the five turbines, siloxane removal system, compressors, regeneration gas flare, water supply pipeline, and telecom line). If Tier 3 engines are not available, engines that comply with Tier 2 off-road compression ignition engine certification standards shall be required; (2) the project proponent shall purchase Mobile Source

Emission Reduction Credits (MSERCs) to mitigate significant adverse NOx construction air quality impacts in accordance with applicable SCAQMD policies and procedures⁵; and (3) enforcement of these mitigation measures are within the jurisdiction of the SCAQMD.

Explanation: The proposed project could result in significant adverse regional air quality impacts from NOx emissions during construction. Tier 3 engine use would reduce regional NOx emission impacts, especially for large equipment, compared to lower tier equipment. Purchase of sufficient NOx MSERCs would be required to offset NOx emissions from construction equipment to less than the applicable regional NOx construction air quality significance threshold. NOx emissions from the proposed project would be offset in accordance with applicable SCAQMD policies and procedures. Localized construction emission impacts were evaluated (see Final SEIR Subsection 4.2.3.3) and SCAQMD concluded that the localized construction emission impacts from the proposed project would be less than significant. Therefore, applying the NOx MSERC offsets to the proposed project would reduce potentially significant adverse construction air quality impacts from NOx to less than significant levels.

3.3 IMPACTS ASSOCIATED WITH ALTERNATIVES

The Final SEIR evaluates a number of potential alternatives to the Project. The Final SEIR examines the environmental impacts of each alternative in comparison with the proposed project and the relative ability of each alternative to satisfy the project objectives. The Final SEIR also summarizes the criteria used to identify a range of reasonable alternatives for review and describes proposals that SCAQMD concluded did not merit additional, more-detailed review either because they did not present viable alternatives to the proposed project or they are variations on the alternatives that are evaluated in detail.

In making these findings, the decision-making body certifies that it has independently reviewed and considered the information on alternatives provided in the Final SEIR, including the information provided in comments on the Draft SEIR and the responses to those comments in the Final SEIR. The Final SEIR's discussion and analysis of these alternatives is not repeated in these findings, but the discussion and analysis of the alternatives in the Final SEIR is incorporated in these findings by reference.

3.3.1 Description of Project Objectives

The project objectives are as follows:

1. Continue to comply with SCAQMD Rule 1150.1 as LFG (primarily methane) volumes increase.
2. Maximize production of renewable energy utilizing LFG as a combustion fuel rather than simply flaring the LFG and wasting the energy content of LFG.
3. Maximize production of renewable energy provided to state utilities that can be used to meet the State of California's mandated Renewables Portfolio Standard (RPS).

⁵ For the full text of mitigation measures A-1 and A-2, please see Subsection 4.2.4 of the Final SEIR.

4. Incentivize and encourage LFG-to-energy projects and other small-scale renewable energy projects because such projects provide a stable source of renewable energy necessary to meet the goals of the RPS.
5. Provide a source of renewable energy as cost-effectively as possible.

3.3.2 Project Alternatives that Would Reduce the Potentially Significant Impacts are Not Available

Finding: The Final SEIR describes and evaluates four alternatives to the proposed project. The decision-making body finds that the proposed project would satisfy the Project Objectives. The decision-making body finds that the alternatives are unable to satisfy the project objectives to the same degree as the proposed project. The decision-making body further finds that, on balance, none of the alternatives has environmental advantages over the proposed project that are sufficiently great to justify approval of such an alternative instead of the proposed project, in light of each such alternative's inability to satisfy the proposed project objectives to the same degree as the proposed project. Accordingly, the decision-making body has determined to approve the proposed project instead of approving any of the alternatives.

In making this determination, the decision-making body finds that when compared to the alternatives described and evaluated in the Final SEIR, the proposed project provides a reasonable balance between fully satisfying the project objectives and reducing potential environmental impacts to an acceptable level. The decision-making body further finds and determines that the proposed project should be approved, rather than one of the other alternatives.

Explanation: Potential adverse environmental impacts from four project alternatives were analyzed and it was determined that no feasible project alternatives were identified that would feasibility attain most of the basic objectives of the project with fewer or less severe environmental impacts than those of the proposed project (see Final SEIR, Section 6.0).

Alternatives evaluated in the Final SEIR for the proposed project include the No Project Alternative, Reduced Project Size Alternative, Alternate Plant Location and Alternate Configuration of Subtransmission Lines. No feasible alternatives have been identified that would reduce the proposed project's significant operational PM_{2.5} and GHG emission impacts to less than significant levels, as shown in Table 2, while achieving the basic objectives described above in Subsection 3.3.1.

Table 2
Environmental Impacts of Alternatives as Compared to Proposed Project

Environmental Topic	Proposed Project	Alternative 1 (No Project)	Alternative 2 (Reduced Size)	Alternative 3 (Alternate Location)	Alternative 4 (Alternate Subtransmission Line Configuration)
Air Quality					
Construction	MNS	NS(-)	MNS(-)	MNS(+)	MNS(-)
Operation	S	NS(-)	S(-)	S(=)	S(=)
Toxic Air Contaminants	NS	NS(-)	NS(-)	NS(-)	NS(=)
Greenhouse Gas	S	S(<=)	S(<=)	S(=)	S(=)
Cultural Resources	NS	NS(-)	NS(=)	NS(=)	NS(-)
Energy	NS	NS(-)	NS(-)	NS(=)	NS(=)
Geology/Soils	NS	NS(-)	NS(=)	S(+)	NS(-)
Hydrology/Water Quality	NS	NS(-)	NS(-)	NS(=)	NS(=)
Noise					
Construction	NS	NS(-)	NS(=)	NS(=)	NS(-)
Operation	NS	NS(-)	NS(-)	NS(=)	NS(=)

Notes:

MNS = Mitigated, Not Significant

NS = Not Significant

S = Significant

(-) = Potential impacts are less than the proposed project.

(+) = Potential impacts are greater than the proposed project.

(=) = Potential impacts are approximately the same as the proposed project.

(<=) = Potential impacts are less than or nearly equal to the proposed project.

Summary of Findings Regarding Alternatives: For all of the foregoing reasons, the decision-making body has determined to approve the proposed project instead of one of the alternatives to the proposed project. The decision-making body finds that the range of alternatives evaluated in the Final SEIR reflects a reasonable attempt to identify and evaluate various types of alternatives that would potentially be capable of reducing the proposed project's environmental effects, while accomplishing most, but not all of the project objectives. The decision-making body finds that the alternatives analysis is sufficient to inform the decision-making body and the public regarding the tradeoffs between the degree to which alternatives to the proposed project could reduce environmental impacts and the corresponding degree to which the alternatives would hinder the project proponent's ability to achieve the project objectives.

3.4 FINDINGS CONCLUSION

Changes or alterations have been incorporated into the proposed project to mitigate or minimize the potentially significant adverse environmental effects associated with project-specific regional NO_x construction air quality impacts to less than the applicable significance threshold. No feasible mitigation measures or alternatives were identified that could further reduce the project-specific regional PM_{2.5} air quality impacts associated with operation of the proposed project. No additional feasible mitigation measures or alternatives to the proposed project, other than those already included in the Final SEIR, have been identified that can further mitigate the potentially significant adverse project-specific GHG emissions impacts during construction and operation.

The proposed project is intended to achieve the project objectives as described above in Subsection 3.3.1. Based on achieving the project objectives described in Subsection 3.3.1, the SCAQMD finds that the proposed project achieves the best balance between minimizing potential adverse environmental impacts and achieving the overall project objectives. The SCAQMD further finds that all of the findings presented here are supported by substantial evidence in the record.

4.0 STATEMENT OF OVERRIDING CONSIDERATION

If significant adverse impacts of a proposed project remain after incorporating feasible mitigation measures, or no feasible measures to mitigate the adverse impacts are identified, the lead agency must make a determination that the benefits of the proposed project outweigh the unavoidable, significant, adverse environmental effects if it is to approve the project. In accordance with CEQA Guidelines §15093, the decision-making body has, in determining whether or not to approve the proposed project, balanced the economic, social, technological, and other project benefits against its unavoidable environmental risks, and finds that each of the benefits of the proposed project set forth below outweigh the significant adverse environmental effects that are not mitigated to less than significant levels. This statement of overriding considerations is based on the decision-making body's review of the Final SEIR, response to comments, and other information in the administrative record. Each of the benefits identified below provides a separate and independent basis for overriding the significant environmental effects of the proposed project. Accordingly, this Statement of Overriding Considerations regarding potentially significant adverse environmental impacts resulting from the proposed project, as set forth below, has been prepared. Pursuant to CEQA Guidelines §15093(c), a Statement of Overriding Considerations will be included in the record of the project approval and will also be noted in the Notice of Determination.

Having reduced the potential effects of the proposed project through all feasible mitigation measures as described previously in this attachment, and balancing the benefits of the proposed project against its potential unavoidable adverse impacts on air quality, the SCAQMD finds that the following legal requirements and benefits of the proposed project outweigh the potentially significant unavoidable adverse impacts for the following reasons:

1. The analysis of potential adverse environmental impacts incorporates a “worst-case” approach. This means that whenever the analysis requires that assumptions be made, those assumptions that result in the greatest adverse impacts are typically chosen. This method likely overestimates the actual significant adverse impacts from the proposed project.
2. The proposed project would maximize the production of renewable energy utilizing LFG as a combustion fuel rather than simply flaring the LFG and wasting the energy content of the LFG.
3. The proposed project would maximize the production of renewable energy provided to state utilities to assist them in meeting the State of California's mandated RPS.
4. The proposed project would provide a cost-effective and stable source of renewable energy necessary to meet the goals of the RPS.

5. Although no credit was taken, the proposed project could potentially offset emissions from electricity generated from non-renewable fossil fuels at electricity generating utilities.
6. Implementing Mitigation Measures A-1 and A-2 reduces significant adverse NOx construction air quality impacts to less than significant, while also providing construction emission reduction co-benefits because using Tier 3 construction engines would additionally provide PM and hydrocarbon emission reduction benefits. Similarly, NOx MSERCs obtained through car crushing, for example, would also produce VOC, PM, and CO MSERCs.
7. Implementing Mitigation Measure GHG-3 would mitigate all construction GHG emission impacts as quantified in the FSEIR, although remaining GHG emission impacts would continue to exceed the SCAQMD's GHG significance threshold.

In balancing the benefits of the overall project described above with the proposed project's unavoidable and significant adverse environmental impacts, SCAQMD finds that the proposed project's benefits individually and collectively outweigh the unavoidable adverse impacts, such that these impacts are acceptable. The SCAQMD further finds that substantial evidence presented in the Final SEIR supports adopting the Final SEIR despite the proposed project's potential adverse impacts.

5.0 RECORD OF PROCEEDINGS

Upon certification, the record of approval for this proposed project, i.e., the Notice of Determination, will be posted and recorded by the Los Angeles County Clerk. The record of approval for the proposed project and all documents and other materials related to this proposed project may be found at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, 91765. The Custodian of the Record is the Deputy Executive Officer.

6.0 MITIGATION, MONITORING AND REPORTING PLAN

When a public agency conducts an environmental review of a proposed project in conjunction with approving it, the lead agency shall adopt a program for monitoring or reporting on the measures it has imposed to mitigate or avoid significant adverse environmental effects per the requirements of CEQA Guidelines §15097 and PRC §21081.6. PRC §21081.6 states in part that when making the findings required by §21081(a):

“...the public agency shall adopt a reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment. The reporting or monitoring program shall be designed to ensure compliance during project implementation. For those changes which have been required or incorporated into the project at the request of a responsible agency or a public agency having jurisdiction by law over natural resources affected by the project, that agency shall, if so requested by the lead or responsible agency, prepare and submit a proposed reporting or monitoring program.”

Enforcement of the mitigation, monitoring and reporting requirements described in this plan is primarily the responsibility of the SCAQMD as the lead agency under CEQA. The mitigation measures discussed herein are primarily the responsibility of SGP to implement. To certify compliance, documentation that mitigation measures have been implemented will be maintained by SGP to ensure potential environmental impacts are mitigated to the greatest extent feasible. Note that mitigation measures from the SCLF Mitigation, Monitoring and Reporting Summary are already in effect and would apply to the SGPREP as part of the existing regulatory setting and, therefore, are not required to be included in the following Mitigation Monitoring and Reporting Plan.

6.1 AIR QUALITY IMPACTS AND MITIGATION MEASURES

Construction-related emissions of NO_x would exceed the applicable SCAQMD regional significance thresholds for daily construction emissions. Emission sources include worker vehicles, heavy construction equipment, and grading/construction activities. The mitigation measures identified in the following discussion are intended to minimize the emissions associated with these emission sources.

- A-1** Use of engines meeting the California Tier 3 off-road compression ignition engine certification standards (Title 13, California Code of Regulations, Section 2423), shall be used for the SGP Facility construction and equipment installation (i.e., the five turbines, siloxane removal system, compressors, regeneration gas flare, water supply pipeline, and telecom line). If Tier 3 engines are not available, engines that comply with Tier 2 off-road compression ignition engine certification standards shall be required.

- A-2** The project proponent shall purchase MSERCs to mitigate significant adverse NO_x air quality impacts in accordance with SCAQMD policies and procedures as outlined below. Applying MSERCs as a construction air quality mitigation measure requires purchasing a sufficient number of MSERCs to offset every pound of pollutant that exceeds the applicable significance threshold based on the analysis of construction air quality impacts in Final SEIR Appendix D-1.

6.2 AIR QUALITY MITIGATION MONITORING AND REPORTING

Implementing Party: The SCAQMD finds that air quality mitigation measures A-1 and A-2 will be implemented by SGP during construction.

Monitoring Agency: The SCAQMD has made these mitigation measures fully enforceable through a legally binding instrument, Attachment 2, for the SGPREP Declaration of Certification, signed by the Applicant's Executive Officer and the SCAQMD's Executive Officer. The SCAQMD through its discretionary authority to issue and enforce permits for the proposed project will ensure compliance with these mitigation measures. Mitigation monitoring and reporting will be accomplished as follows:

MMA-1: USE ENGINES MEETING THE CALIFORNIA TIER 3 OFF-ROAD COMPRESSION IGNITION ENGINE CERTIFICATION STANDARDS TO THE EXTENT FEASIBLE DURING CONSTRUCTION OF THE SGP FACILITY

SGP shall use construction equipment with engines meeting the California Tier 3 off-road compression ignition engine certification standards (Title 13, California Code of Regulations, Section 2423), for the SGP Facility construction and equipment installation (i.e., the five turbines, siloxane removal system, compressors, regeneration gas flare, water supply pipeline, and telecom line). If Tier 3 engines are not available, engines that comply with Tier 2 off-road compression ignition engine certification standards shall be required.

SGP shall demonstrate in writing the methodology or methodologies used to hire contractors with construction equipment meeting Tier 3 standards. Such methodologies may include, but are not limited to the following:

- During the request for proposals process give contractors extra points for equipment meeting the Tier 3 standards.
- Provide financial incentives to those contractors with Tier 3 equipment.
- If there is a choice between hiring a contractor with Tier 3 equipment and Tier 2 equipment, SGP shall choose the contractor with Tier 3 equipment.

All records pertaining to the methodology for preferentially hiring contractors with Tier 3 equipment shall remain onsite for a period no less than two years and be made available to SCAQMD inspectors upon request.

MMA-2: APPLICATION OF MSERCS TO MITIGATE SIGNIFICANT CONSTRUCTION-RELATED NO_x EMISSIONS

SGP shall purchase MSERCs to mitigate significant adverse NO_x construction air quality impacts in accordance with SCAQMD policies and procedures as outlined below. Applying MSERCs as a construction air quality mitigation measure requires purchasing a sufficient number of MSERCs to offset every pound of pollutant that exceeds the applicable significance threshold based on the analysis of construction air quality impacts in Final SEIR Appendix D-1. SCAQMD has established the following process and procedures for using MSERCs as CEQA mitigation:

1. Comply with the “Revised CEQA Policy and Procedure in Allowing the Use of Emission Credits to Mitigate Significant Air Quality Impacts from Construction Phase” by:
 - a. providing a localized air quality modeling analysis to demonstrate that localized NO₂ impacts would be less than significant (see Final SEIR Subsection 4.2.3.3, which satisfies this requirement);
 - b. demonstrating that the emission credits were derived from emission reduction project(s) through existing SCAQMD protocols (e.g., Rule 1612 – Credits for Clean On-Road Vehicles);

- c. ensuring the credit is current for the time the project takes place meaning the MSERCs have not expired before or during the time period when the emissions from the project would occur; and
 - d. preparing and submitting a monthly report (including equipment usage logs, see Tables 4, 5 and 6 below and Appendix F of the Final SEIR) within seven days after the end of each construction month to demonstrate that conditions have been met, and to identify the quantity of NOx MSERCs to be purchased from MSERC brokers.
2. Contact appropriate SCAQMD staff who can provide the list of MSERC brokers.
 3. Contact the broker to negotiate the purchase of the amount needed to offset the emissions which exceed the daily significance threshold during the construction phase of the project.
 4. Retire the monthly NOx emission credits within seven days of submitting the monthly report to SCAQMD through one of two means:
 - e. Convert the credit amount into a physical certificate which is issued to the purchaser of the credit and is surrendered back to the SCAQMD; or
 - f. Establish an MSERC account with SCAQMD and transfer the MSERCs into that account to retire them with the SCAQMD.

To ensure that the project proponent is providing sufficient MSERCs to reduce construction air quality impacts to less than significant, the following procedures shall be followed:

1. The construction contractors shall record the hour meter reading for each piece of equipment and the project applicant shall record all the equipment used and hours of operations.
2. Logs shall be kept to identify distance traveled by each haul truck brought onto the site for the proposed construction project.
3. Third party audits of the recordkeeping system shall be conducted on a monthly basis.
4. The project applicant or consultant shall prepare and submit a monthly report within seven days after the end of each construction month to demonstrate that conditions have been met. The monthly report shall summarize equipment used, hours of operation, and NOx emissions, as well as identifying any problems that occur and corrective actions implemented by the contractor. The monthly report shall identify the total number of pounds of NOx MSERCs needed to offset the proposed construction project's impacts to regional air quality from NOx emissions.

6.3 CUMULATIVE GHG EMISSIONS IMPACTS AND MITIGATION MEASURES

The proposed project has the potential to generate significant adverse cumulative GHG emission impacts. The following mitigation measures are imposed to reduce GHG emission impacts, however, the impact remains significant and unavoidable.

- GHG-1** The use of LFG from the decomposition of waste materials deposited in the landfill to generate the fuel used in the project.
- GHG-2** The use of LFG, a renewable fuel, to generate electricity could displace fossil-fuel generated electricity.
- GHG-3** Pursuant to SCAQMD Rule 2702 – Greenhouse Gas Reduction Program, the project proponent (or its successors) shall contribute \$36,000 to the SCAQMD’s Greenhouse Gas Reduction Program, which is approximately double the amount of the Rule 2702 Participation Fee of \$15 per metric ton, to ensure that all construction GHG emissions as quantified in the Final SEIR are mitigated. The project proponent shall pay the GHG mitigation fee to the SCAQMD before starting project construction.

These three GHG mitigation measures are considered to comprise all feasible mitigation by the SCAQMD. It is anticipated that actual GHG emission impacts from the proposed project could also offset GHG emissions from other sources, as it may displace production of higher GHG intensive energy with energy produced from renewable resources (i.e., LFG). The potentially beneficial effects of offsetting GHG emissions that would result from the replacement of higher GHG intensive energy cannot be quantified due to: 1) the uncertainty of the GHG generated by the energy being replaced, and 2) the uncertainty regarding the extent to which the project’s energy is being used to accommodate growth in the region and would, therefore, be considered new energy rather than replacement energy. Consequently, cumulative GHG emission impacts remain significant in spite of implementation of the two mitigation measures identified above.

6.4 CUMULATIVE GHG EMISSIONS IMPACTS MITIGATION MONITORING AND REPORTING

Implementing Party: The SCAQMD finds that air quality mitigation measures GHG-1, GHG-2 and GHG-3 will be implemented by SGP. SGP shall maintain adequate records to demonstrate compliance with mitigation measure GHG-1. Aside from operating equipment to produce electricity from LFG, no monitoring is required for mitigation measure GHG-2 consistent with Facility Wide Permit Condition No. 7 imposed by the SCAQMD on SGP.

Monitoring Agency: The SCAQMD has made these mitigation measures fully enforceable through a legally binding instrument, Attachment 2, for the SGPREP Declaration of Certification, signed by the Applicant’s Executive Officer and the SCAQMD’s Executive Officer. The SCAQMD through its discretionary authority to issue and enforce permits for the proposed project shall ensure compliance with all GHG mitigation measures. Mitigation monitoring and reporting will be accomplished as described in the following:

MMGHG-1: The use of LFG from the decomposition of waste materials deposited in the landfill to generate the fuel used in the project will be monitored through Facility Wide Permit Condition No. 7, which requires that total LFG processed at this facility shall not exceed 247 MMBTU/hr (24-hour avg). The operator shall determine the total heat input of the landfill gas at least once every eight hours of operation, and monitor the flow rate continuously. The operator shall maintain adequate records to demonstrate compliance with this condition.

MMGHG-2: The SGPREP operators or its successors shall maintain appropriate records demonstrating that the SGPREP is providing a reliable source of electricity from a renewable source.

MMGHG-3 The project proponent or successors shall provide SCAQMD CEQA staff with copies of all documentation demonstrating that \$36,000 has been paid to the SCAQMD in accordance with SCAQMD Rule 2702 that demonstrates compliance with GHG-3.

All records pertaining to MMGHG-1 above equipment shall remain onsite for a period no less than two years and be made available to SCAQMD inspectors upon request. With regard to MMGHG-2, records shall be maintained on an ongoing basis during such times that the proposed project is under contract to provide electricity to offsite electricity providers. All records demonstrating compliance with mitigation measure GHG-3 shall be maintained in accordance with any SCAQMD Rule 2702 recordkeeping requirements. At a minimum, records demonstrating compliance with SCAQMD Rule 2702 shall be maintained onsite for a period no less than two years and be made available to SCAQMD inspectors upon request.

7.0 CONCLUSION

During the construction of the proposed project and for two years following completion of construction, SGP will maintain records onsite of applicable compliance activities to demonstrate the steps taken to assure compliance with imposed Mitigation Measures as specified in Table 3. All construction logs and other records shall be made available to SCAQMD inspectors upon request. SGP will be required to submit quarterly reports to the SCAQMD during the construction phase that summarize the construction progress, including all required logs, inspection reports, and monitoring reports, as well as identify any problems and corrective actions, as necessary. SCAQMD staff and SGP will evaluate the effectiveness of this monitoring program during the construction period. If either the monitoring program or the mitigation measures set forth above are deemed inadequate, the SCAQMD or another responsible agency may require SGP to employ additional or modified monitoring measures and/or measures to effectively mitigate identified significant adverse impacts to the levels identified in the Final SEIR.

Table 3

Mitigation, Monitoring and Reporting Plan for Sunshine Gas Producers Renewable Energy Project

Mitigation Measure/Implementation Requirement	Party Responsible for Implementing Mitigation	Monitoring Action	1. Enforcement Agency 2. Monitoring Agency 3. Monitoring Phase
<p>A-1/ Use of engines meeting the California Tier 3 off-road compression ignition engine certification standards (Title 13, California Code of Regulations, Section 2423), shall be used for the SGP Facility construction and equipment installation (i.e., the five turbines, siloxane removal system, compressors, regeneration gas flare, water supply pipeline, and telecom line). During the selection process for a construction contractor, additional credit will be given to those with Tier 3 engines. If not available, Tier 2 equipment shall be used.</p>	<p>SGP</p>	<p>Maintain records of the engine tier rating for all diesel fuel combustion equipment used during construction, in addition to recordkeeping requirements identified in A-2, below.</p>	<p>1. SCAQMD 2. SCAQMD 3. Daily</p>

Table 3 (Continued)

Mitigation, Monitoring and Reporting Plan for Sunshine Gas Producers Renewable Energy Project

Mitigation Measure/Implementation Requirement	Party Responsible for Implementing Mitigation	Monitoring Action	1. Enforcement Agency 2. Monitoring Agency 3. Monitoring Phase
A-2/ Comply with the “Revised CEQA Policy and Procedure in Allowing the Use of Emission Credits to Mitigate Significant Air Quality Impacts from Construction Phase.”	SGP	<ol style="list-style-type: none"> 1. Provide a localized air quality modeling analysis to demonstrate that localized NO₂ impacts would be less than significant; 2. Demonstrate that the emission credits were derived from emission reduction project(s) through existing SCAQMD protocols; 3. Ensure the credit is current for the time the project takes place meaning the MSERCs have not expired before or during the time period when the emissions from the project would occur; and 4. Prepare and submit a monthly report (including equipment usage logs, see Final SEIR Appendix F) within seven days after the end of each construction month to demonstrate that conditions have been met, and to identify the quantity of NO_x MSERCs to be purchased from MSERC brokers. 	<ol style="list-style-type: none"> 1. SCAQMD 2. SCAQMD 3. Daily
A-2/ Identify MSERC broker and negotiate the purchase of MSERCs.	SGP	<ol style="list-style-type: none"> 1. Contact appropriate SCAQMD staff who can provide the list of MSERC brokers. 2. Contact the broker to negotiate the purchase of the amount needed to offset the emissions which exceed the daily significance threshold during the construction phase of the project. 	<ol style="list-style-type: none"> 1. SCAQMD 2. SCAQMD 3. Prior to start of construction

Table 3 (Continued)

Mitigation, Monitoring and Reporting Plan for Sunshine Gas Producers Renewable Energy Project

Mitigation Measure/Implementation Requirement	Party Responsible for Implementing Mitigation	Monitoring Action	1. Enforcement Agency 2. Monitoring Agency 3. Monitoring Phase
A-2/ Retire the monthly NO _x emission credits within seven days of submitting the monthly report to SCAQMD.	SGP	Either: 1. Convert the credit amount into a physical certificate which is issued to the purchaser of the credit and is surrendered back to the SCAQMD; or 2. Establish an MSERC account with SCAQMD and transfer the MSERCs into that account to retire them with the SCAQMD.	1. SCAQMD 2. SCAQMD 3. Prior to start of construction
A-2/ Maintain Reporting Logs.	SGP	To ensure that the project proponent is providing sufficient MSERCs to reduce construction air quality impacts to less than significant, the following procedures shall be followed: 1. The construction contractors shall record the hour meter reading for each piece of equipment and the project applicant shall record all the equipment used and hours of operations. 2. Logs shall be kept to identify distance traveled by each haul truck brought onto the site for the proposed construction project. 3. Third party audits of the recordkeeping system shall be conducted on a monthly basis.	1. SCAQMD 2. SCAQMD 3. Daily

Table 3 (Continued)

Mitigation, Monitoring and Reporting Plan for Sunshine Gas Producers Renewable Energy Project

Mitigation Measure/Implementation Requirement	Party Responsible for Implementing Mitigation	Monitoring Action	1. Enforcement Agency 2. Monitoring Agency 3. Monitoring Phase
A-2/ Submit monthly report to SCAQMD.	SGP	<p>The project applicant or consultant shall prepare and submit a monthly report within seven days after the end of each construction month to demonstrate that conditions have been met. The monthly report shall:</p> <ol style="list-style-type: none"> 1. Summarize equipment used; 2. Summarize hours of operation for all equipment; 3. Summarize NO_x emissions; 4. Identify any problems that occur and corrective actions implemented contractor; and 5. Identify the total number of pounds of NO_x MSERCs needed to offset the proposed construction project's impacts to regional air quality from NO_x emissions. 	<ol style="list-style-type: none"> 1. SCAQMD 2. SCAQMD 3. Monthly
GHG-1/ Monitor total heat input of the LFG at least once every eight hours of operation.	SGP	<p>Consistent with SGPREP Facility Wide Permit Condition No. 7, the project proponent shall conduct monitoring of the total heat input of the LFG at least once every eight hours of operation and maintain monitoring records as described below.</p>	<ol style="list-style-type: none"> 1. SCAQMD 2. SGPREP 3. Every eight hours

Table 3 (Continued)

Mitigation, Monitoring and Reporting Plan for Sunshine Gas Producers Renewable Energy Project

Mitigation Measure/Implementation Requirement	Party Responsible for Implementing Mitigation	Monitoring Action	1. Enforcement Agency 2. Monitoring Agency 3. Monitoring Phase
GHG-1/ Continuously monitoring of LFG flow rate.	SGP	Consistent with SGPREP Facility Wide Permit Condition No. 7, the project proponent shall continuously monitor the LFG flow rate and maintain monitoring records as described below.	<ol style="list-style-type: none"> 1. SCAQMD 2. SGPREP 3. Continuously
GHG-1/ Maintain records.	SGP	Consistent with SGPREP Facility Wide Permit Condition No. 7, maintain records of total heat output from the LFG for every eight hours of operation, as well as continuous LFG flow rates, for no less than two years.	<ol style="list-style-type: none"> 1. SCAQMD 2. SGPREP 3. Continuously
GHG-2/Generate electricity from LFG.	SGP	Provide a reliable source of electricity from a renewable resource.	No specific monitoring or enforcement required.
GHG-3/ Contribute to the SCAQMD Greenhouse Gas Reduction Program to offset GHG emissions associated with construction of the proposed project.	SGP	Pay \$36,000 to the SCAQMD Greenhouse Gas Reduction Program prior to starting construction of the proposed project.	<ol style="list-style-type: none"> 1. SCAQMD 2. SGPREP 3. Prior to the start of construction

Table 3 (Concluded)

Mitigation, Monitoring and Reporting Plan for Sunshine Gas Producers Renewable Energy Project

Mitigation Measure/Implementation Requirement	Party Responsible for Implementing Mitigation	Monitoring Action	1. Enforcement Agency 2. Monitoring Agency 3. Monitoring Phase
GHG-3/ Submit a completed Greenhouse Gas Reduction Program Request to the Executive Officer	SGP	Submit a completed Greenhouse Gas Reduction Program Request to the Executive Officer for certified emission reductions and pay a plan submittal fee pursuant to Rule 306 – Plan Fees subdivision (c) [currently \$116.27]. The Request shall include the following information: (a) The requestor’s name, address and contact information (such as facility identification number, if applicable); (b) The amount of greenhouse gas emission reductions, in metric tons of CO2E, consistent with the payment request in GHG-3; (c) The anticipated use of the reductions, if known; and (d) Any other information specified by the Executive Officer as necessary to evaluate the request.	1. SCAQMD 2. SCAQMD 3. Prior to start of construction

Table 6
Daily Equipment Usage Log

Piece of Equipment	Identification Number	Power Rating (horsepower)	Type of Equipment	2001 NO_x Compliance Certificate (yes/no)	Equipped with NO_x Oxidation Catalyst (yes/no)	Use of Aqueous Diesel (yes/no)	Starting Meter Reading	Ending Meter Reading	Hours of Operation

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