



# Updating District Guidelines

TO ADDRESS GREENHOUSE GAS EMISSIONS UNDER THE  
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

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PUBLIC WORKSHOPS MAY 2014

# Overview

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Project Description

Purpose & Need

Global and State Climate  
Change Framework

Thresholds under CEQA

Options

Next Steps

Questions/Open Discussion

# Santa Barbara County APCD

*Our mission is to  
protect the people and  
the environment of  
Santa Barbara County  
from the effects of air  
pollution.*

- We regulate “stationary sources” of air pollution within Santa Barbara County.
- We do not regulate motor vehicles.
- We do not make land use decisions (this is done by the cities and SB County).



# Project Description

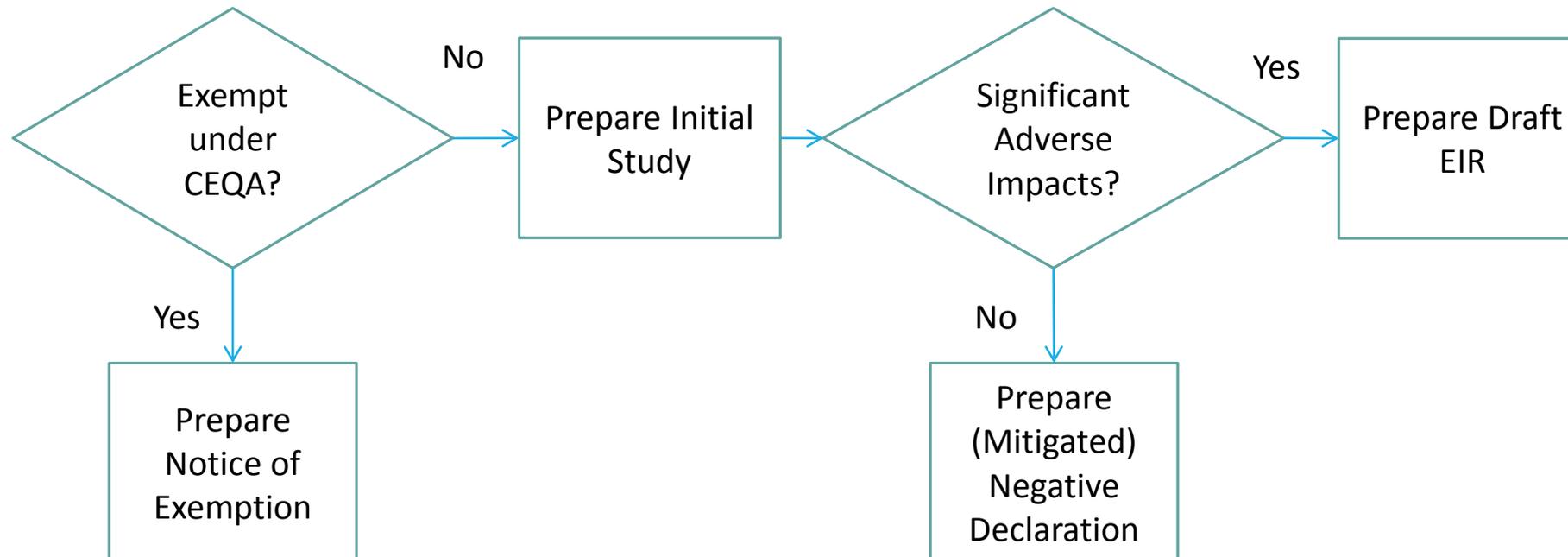
# Project Statement: Consider revisions to the APCD Environmental Review Guidelines

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- Add GHG threshold to significance criteria for cumulative impacts
  - Applicable to new or modified stationary source projects
- Update Appendix A exemptions list
- Other minor updates to reflect current CEQA practice

# California Environmental Quality Act (CEQA)

- Purpose: Public disclosure, inform decision-makers, provide for an analysis of alternatives to avoid impacts
- A CEQA determination is required for all “discretionary projects” in California
- Level of review depends on the level of environmental impacts:



# APCD's Implementation of CEQA

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- APCD has multiple roles under CEQA:
  - Lead Agency (plans, rules, permits)
  - Responsible Agency
  - Concerned/Trustee Agency
- APCD Environmental Review Guidelines currently set our significance thresholds for air quality impacts only; not GHGs
- CEQA lead agencies may choose to use our thresholds



# Purpose & Need

# Purpose & Need for GHG Thresholds

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- Lead agencies are now legally required to quantify GHGs and make a significance determination (March 2010 CEQA Guidelines Amendments)
- Currently, individual jurisdictions in our county are applying varying significance criteria, project-by-project
- Creates uncertainty in permitting process (cost, timelines)
- Potential for legal challenges (less defensible)
- Need fairness and consistency



# Global and State Climate Change Framework

# Global Climate Change Framework

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- The Intergovernmental Panel on Climate Change (IPCC), established in 1988, is the internationally accepted authority on climate change
- The IPCC has published four comprehensive assessment reports reviewing the latest climate science (in 1990, 1995, 2001, 2005); a Fifth Assessment Report (AR5) will be completed in late 2014

**“Warming of the climate system is unequivocal, and since the 1950s, many of the observed changes are unprecedented over decades to millennia”<sup>1</sup>**

**“Human influence on the climate system is clear. It is extremely likely (95-100% probability) that human influence was the dominant cause of global warming between 1951-2010.”<sup>2</sup>**

<sup>1,2</sup> IPCC (11 November 2013): D. Understanding the Climate System and its Recent Changes, in: Summary for Policymakers (finalized version), in: IPCC AR5 WG1 2013, p. 2, 13.

# Assembly Bill (AB) 32: the Global Warming Solutions Act

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- Signed by Governor Schwarzenegger in 2006
- Legislation set goal to reduce greenhouse gases to 1990 levels by 2020
- Required the Air Resources Board (ARB) to prepare a Climate Change Scoping Plan
- Scoping Plan, originally approved in 2008, provides the outline for actions to reduce California's GHG emissions through 2020
- Amended and re-approved by the ARB in 2011
- Five year update in progress—concludes California is on target for meeting the 2020 GHG emission reduction goals
- Air Resources Board to consider Plan update later this month.

# California Executive Order S-3-05

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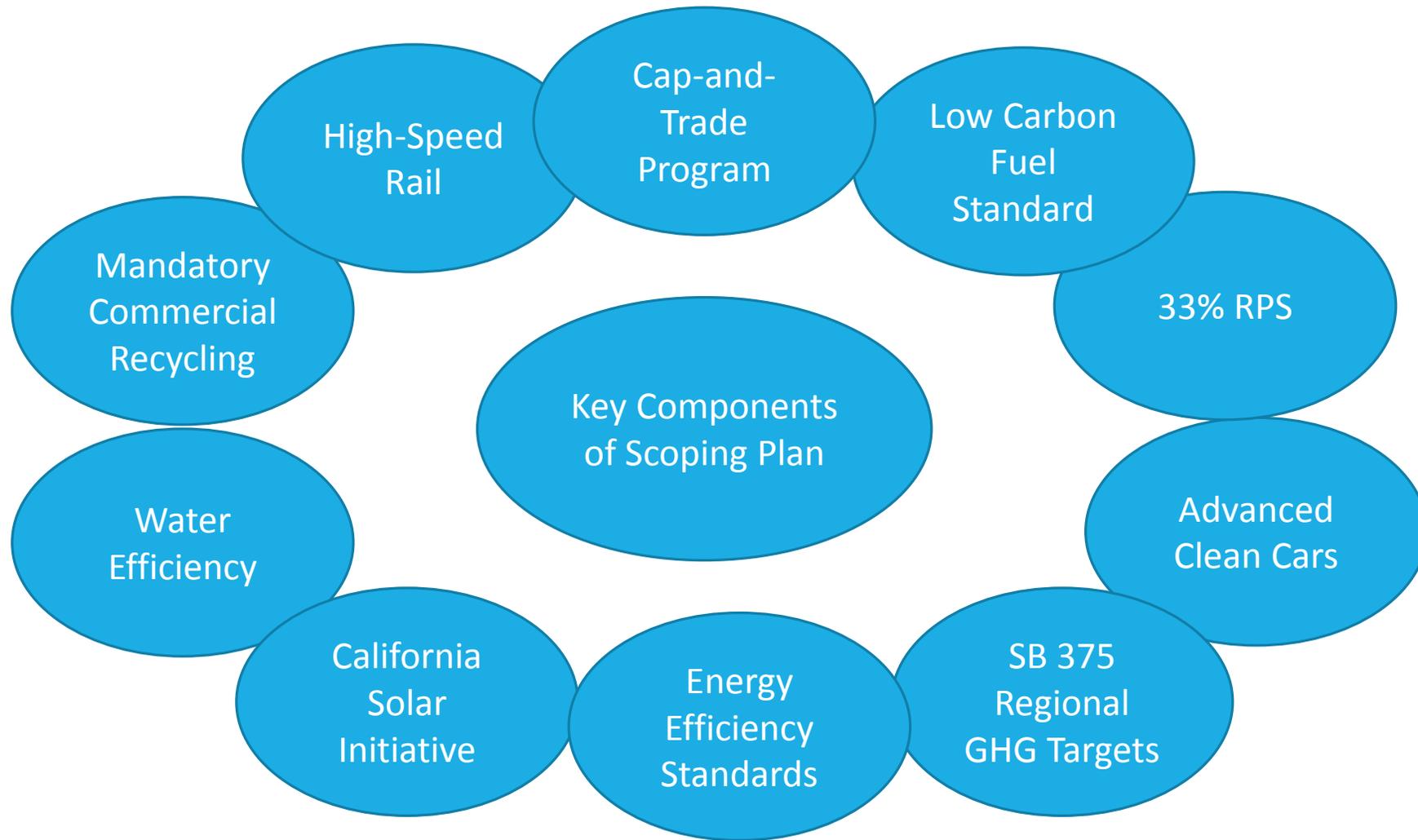
- Signed by Governor Schwarzenegger in June 2005
- Establishes short- and long-term GHG emission reduction targets for CA:
  - 1990 levels by 2020
  - 80% below 1990 levels by 2050
- The 2020 target was codified by AB 32
- No law has codified the 2050 target to date

# Climate Change Scoping Plan Targets

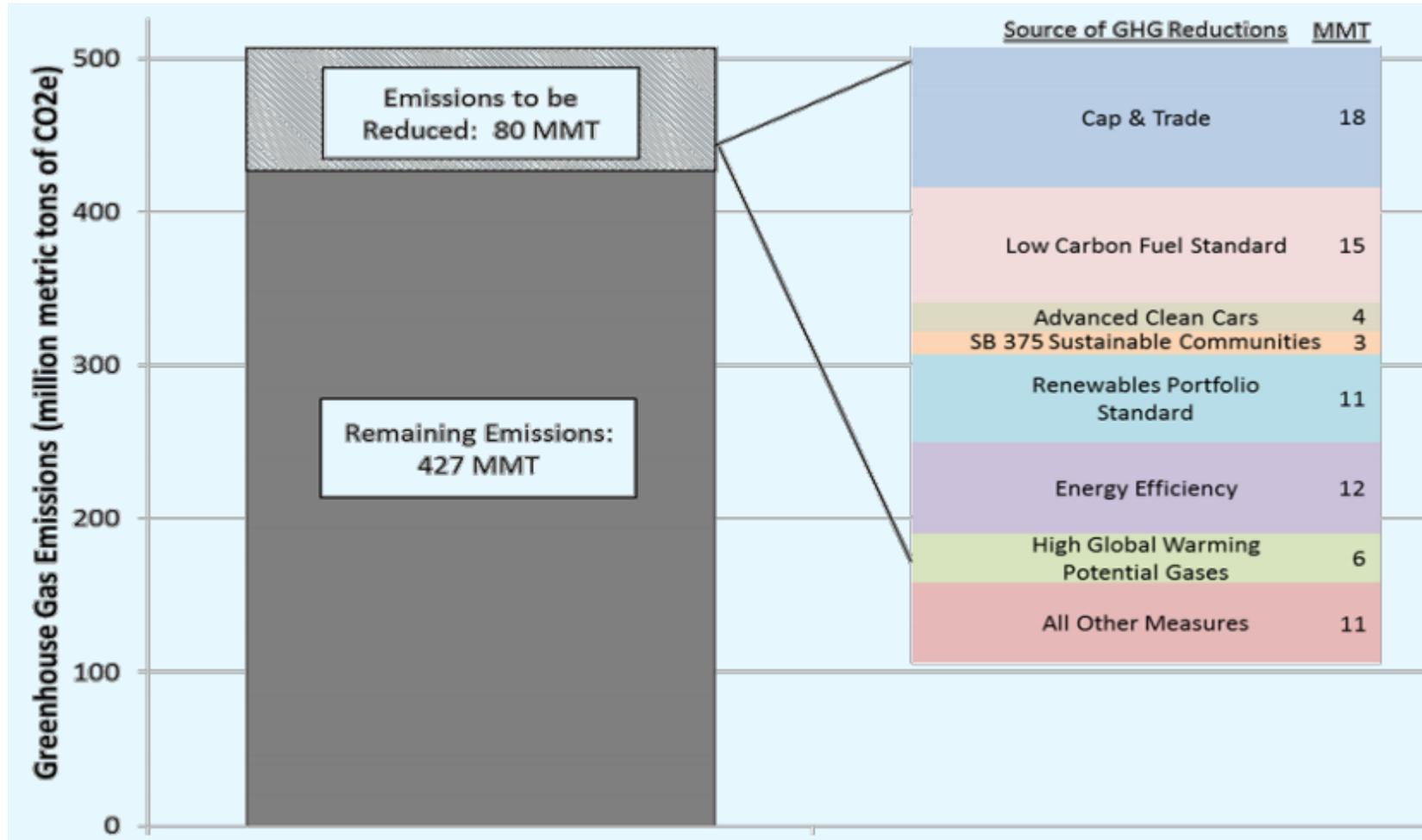
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- Projected Statewide GHG emissions growth out to 2020 (Business-as-Usual scenario)
- 2008 Plan determined 29% reduction needed to reach 1990 GHG emissions level
- 2011 revision (revised growth and control assumptions) determined 16% reduction needed
- No specific reduction targets beyond 2020 have been set

# Scoping Plan Measures



# Projected Measure Effectiveness



Source:  
 California Air Resources Board,  
[http://www.arb.ca.gov/cc/scopin\\_gplan/meetings/061313/spu\\_workshop\\_presentation\\_final.pdf](http://www.arb.ca.gov/cc/scopin_gplan/meetings/061313/spu_workshop_presentation_final.pdf).

# AB 32 Measures - Industrial Sources

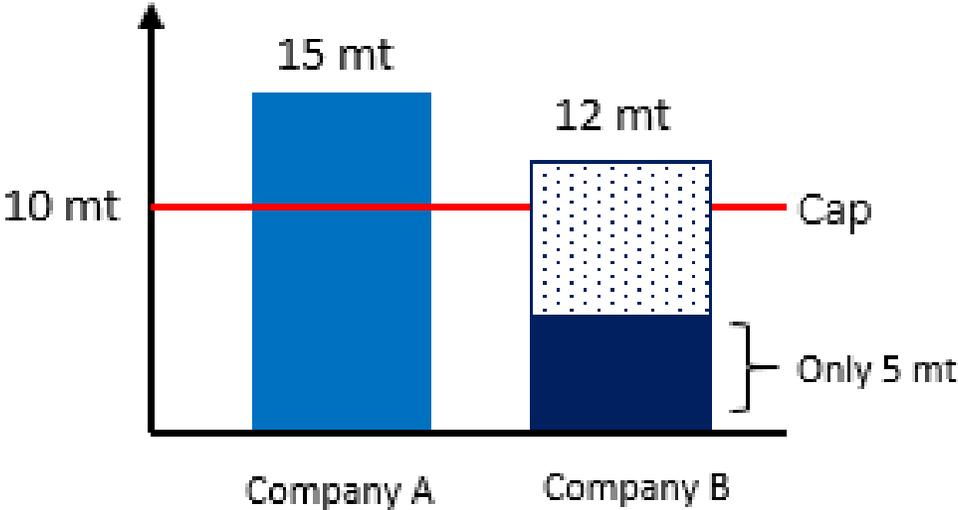
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- Fee Regulation (HSC 38597)
- Low Carbon Fuel Standard (LCFS)
- Mandatory Reporting Regulation (MRR)
- Renewable Electricity Standard
- Landfill Methane Capture
- Cap-and-Trade
  - Subject to Cap-and-Trade if emissions exceed 25,000 metric tons GHG
  - Encompasses 85% of total statewide GHG emissions, and responsible for approximately 30% of the required GHG emission reductions to meet 2020 goal
  - Sets firm cap on GHG emissions—cap declines approx. 3% year

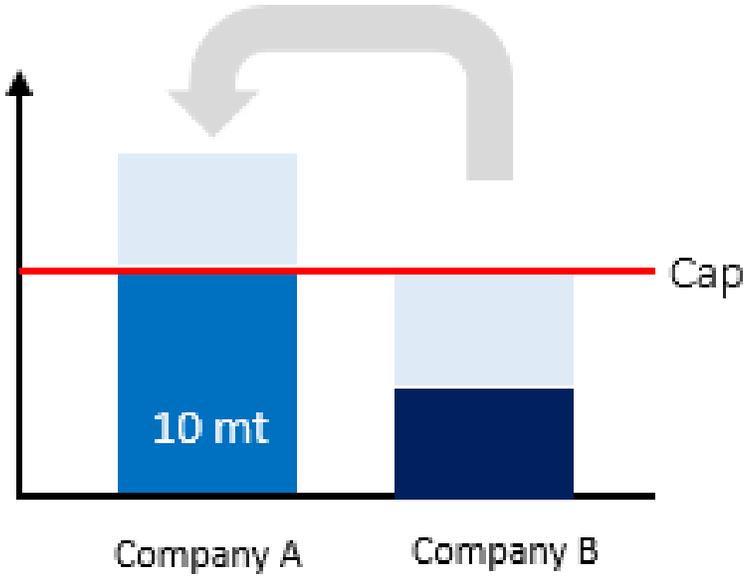
# Cap-and-Trade: How it Works

Company B can reduce emissions at a lower cost and more efficiently

Company A buys excess allowances from Company B



**BEFORE**



**AFTER**



# Thresholds under CEQA

# Requirements for Adoption

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## Summary of CEQA Guidelines Section 15064.7, Thresholds of Significance:

*“(a) Each public agency is encouraged to develop and publish thresholds of significance of environmental effects...compliance with which means the effect normally will be determined to be less than significant.”*

*“(b) Thresholds of significance...must be adopted by ordinance, resolution, rule, or regulations, and developed through a public review process and be supported by substantial evidence.”*

*“(c) When adopting thresholds of significance, a lead agency may consider thresholds of significance previously adopted or recommended by other public agencies or recommended by experts, provided the decision of the lead agency to adopt such thresholds is supported by substantial evidence.”*

# Assessing Impacts from Greenhouse Gases

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When assessing the significance of greenhouse gas impacts under CEQA, a lead agency can consider (*CEQA Guidelines § 15064.4*):

- Whether project emissions exceed a threshold of significance that a lead agency has applied to the project,
- If the project complies with regulations or requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of GHGs

# Greenhouse Gases as Cumulative Impacts

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- Global climate change is a cumulative impact; a project participates in this potential impact through its incremental contribution combined with the cumulative increase of all other sources of greenhouse gases.
- A proposed project could result in a cumulatively considerable contribution of GHG emissions and a cumulatively significant impact to global climate change.
- Cumulative impacts can be mitigated to a less than cumulatively considerable level by implementing its fair share of a mitigation measure or measures.

*CEQA Guidelines § 15130(a)(3): An EIR may determine that a project's contribution to a significant cumulative impact will be rendered less than cumulatively considerable and thus is not significant. A project's contribution is less than cumulatively considerable if the project is required to implement or fund its fair share of a mitigation measure or measures designed to alleviate the cumulative impact. The lead agency shall identify facts and analysis supporting its conclusion that the contribution will be rendered less than cumulatively considerable.*



# Options

# Options

To assess significance of greenhouse gas emissions from stationary sources

- ❖ No Threshold
- ❖ Zero
- ❖ Bright line
- ❖ Methodology tied to consistency with AB 32 Scoping Plan and goals

# No Threshold

Significance determined on a case-by-case, project-specific basis.

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Absence of threshold does not relieve agencies of their obligation to address GHG emissions in CEQA.

Resource intensive and could result in inconsistent determinations.

All project GHG emissions are significant and must be mitigated.

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A zero threshold approach is based on the concept that,

- 1) all GHG emissions contribute to global climate change and could be considered significant, and
- 2) not controlling emissions from smaller sources would be neglecting a portion of the GHG inventory.

Zero

# Bright line

Establishes a quantitative value above which emissions are significant (e.g., 10,000 metric tons or 25,000 metric tons).

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Value can be based on “percent capture” (i.e. capture 90% of emissions), or other numeric value, such as the ARB Mandatory Reporting Regulation threshold (10,000 MTCO<sub>2</sub>e/yr) or the Cap and Trade Program participation threshold (25,000 MTCO<sub>2</sub>e/yr).

Potential to mitigate a large quantity of emissions, but smaller projects not subject to GHG analysis under CEQA and reduces administrative burden.

# Consistency with AB 32 Scoping Plan and Goals

## Approaches:

- A. % reduction from Business-as-Usual (BAU)
- B. % mitigation consistent with AB 32 goals
- C. Performance based standards
- D. Consideration of Cap-and-Trade

- A. Starting with ARB's no-action taken scenario, known as business-as-usual, apply the necessary percent reduction to achieve 1990 emission levels by 2020.
- B. Apply the percent reduction needed to meet the state's 2020 emission reduction goals (e.g., 16%).
- C. Establish industry-specific standards for each equipment type or source category of emissions to produce overall GHG reductions aligned with AB 32 goals.
- D. Consider Cap-and-Trade as an approved GHG Emissions Reduction Plan.



# Process & Next Steps

# Process

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- Gather input from the public and stakeholders (workshops)
- Hold meetings with stakeholder groups as requested
- Consider input received and develop draft revisions to the Guidelines
- Hold a public workshop to present draft Guidelines revisions
- Solicit input on the Draft and consider changes
- Present proposed Guideline revisions to Community Advisory Council (CAC) for consideration
- Proceed to Board with Guidelines in accordance with CAC recommendation

# Next Steps

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- Provide written input by ~~June 5, 2014~~ **July 11, 2014**.
- If individual stakeholder meeting is desired, request meeting by ~~May 22, 2014~~ **June 27, 2014**
- Email to [ceqa@sbcapcd.org](mailto:ceqa@sbcapcd.org) or mail to:  
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- Questions? Contact Molly Pearson at (805) 961-8838