



Addressing Greenhouse Gas Emissions Impact under the California Environmental Quality Act (CEQA)

Land Use Development Projects

A. Purpose

To assist Lead Agencies, project proponents, and interested parties in assessing and reducing the impacts of project specific greenhouse gas emissions (GHG) on global climate change, the San Joaquin Valley Air Pollution Control District (District) has adopted the guidance: *Guidance for Valley Land-use Agencies in Addressing GHG Emission Impacts for New Projects under CEQA* :<u>http://www.valleyair.org/Programs/CCAP/12-17-09/3%20CCAP%20-%20FINAL%20LU%20Guidance%20-%20Dec%2017%202009.pdf</u>. The guidance relies on the use of performance based standards, otherwise known as Best Performance Standards (BPS) to assess significance of project specific greenhouse gas emissions on global climate change during the environmental review process, as required by CEQA. Use of BPS is a method of streamlining the CEQA process of determining significance and is not a required emission reduction measure. Projects implementing BPS would be determined to have a less than cumulatively significant impact. Otherwise, demonstration of a 29 percent reduction in GHG emissions, from business-as-usual, is required to determine that a project would have a less than cumulatively significant impact. The guidance does not limit a lead agency's authority in establishing its own process and guidance for determining significance of project related impacts on global climate change.

B. Definitions

Baseline for Residential Development projects is – the three year average of GHG emissions from all dwelling units in the San Joaquin Valley Air District, during the 2002 through 2004 baseline period, expressed as annual GHG emissions per unit.

Baseline for Commercial and Industrial Development projects is – the three year average of GHG emissions from all commercial or industrial units in the San Joaquin Valley Air District, during the 2002 through 2004 baseline period, expressed as annual GHG emissions per commercial or industrial unit.

Best Performance Standard for Development Projects is – any combination of District approved, emission reduction measures reducing or limiting GHG emissions by at least 29% compared to Business-as-Usual (BAU), consistent with GHG emission reduction targets established in the Air Resources Board's AB 32 Scoping Plan. GHG emission reduction measures include building standards, appliance standards, project design elements, and land use decisions.

Business-as-Usual is - total baseline emissions for all emissions sources within the development type, projected for the year 2020, assuming no change in GHG emissions per unit of activity as established for the baseline period, 2002-2004. To relate BAU to an emissions generating activity, the District proposes to establish emission factors per unit of activity, for each class and category, using the 2002-2004 baseline period as the reference.

C. Determining Project Significance Using BPS

Use of BPS is a method of determining significance of project specific GHG emission impacts using established specifications or project design elements. BPS is not a required mitigation of project related impacts. Use of BPS would streamline the significance determination process by pre-quantifying the emission reductions that would be achieved by a specific GHG emission reduction measure and pre-approving the use of such a measure to reduce project-related GHG emissions.

GHG emission from development projects, primarily occur through energy consumption and vehicle miles traveled (VMT). For development projects, BPS includes project design elements, land use decisions, and technologies that reduce GHG emissions. Project proponents can reduce GHG emissions from energy consumption through building designs that increase energy efficiency, water conservation, and the use of energy efficient appliances.

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D. Process for Evaluating GHG Significance for Development Projects

The following diagram illustrates the process for evaluating GHG significance. Project impact can be reduced by:

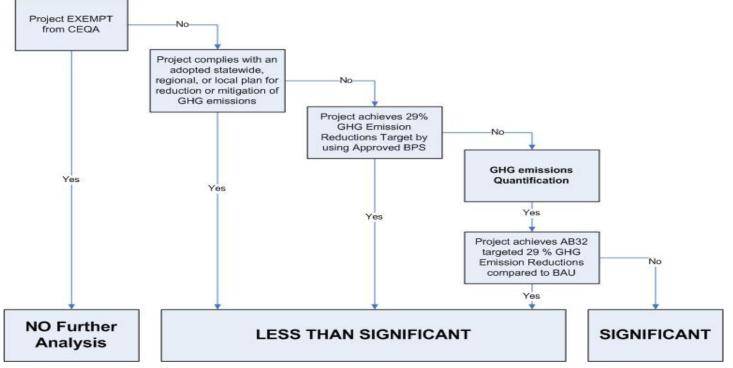
- Using any combination of District approved GHG Emission Reduction Measures to meet BPS,
- · Complying with an approved GHG plan or mitigation program, or
- Reducing GHG emissions by at least 29%

Projects exempt from the requirements of CEQA, and projects complying with an approved GHG emission reduction plan or mitigation program would be determined to have a less than significant individual and cumulative impact. Such plans or programs must be specified in law or adopted by the public agency with jurisdiction over the affected resources and have a certified Final CEQA document.

Projects implementing BPS and reducing GHG emissions by 29%, consistent with GHG emission reduction targets established in ARB's AB 32 Scoping Plan, through any combination of GHG emission reduction measures, including GHG emission reductions achieved as a result of changes in building and appliance standards occurring since the 2002-2004 baseline period, would be considered to have a less than significant individual and cumulative impact on global climate change.

Projects not implementing BPS would require quantification of project specific GHG emissions. To be determined to have a less than significant individual and cumulative impact on global climate change, such projects must be determined to have reduced or mitigated GHG emissions by 29% as compared to BAU, consistent with GHG emission reduction targets established in ARB's AB 32 Scoping Plan.

Furthermore, quantification of GHG emissions is required for all projects for which the lead agency has determined that an Environmental Impact Report is required, whether or not the project incorporates BPS.



E. Establishing GHG Emission Reduction Measures

Approved GHG emission reduction measures will be established through a public process that provides ample opportunity for stakeholders and other interested parties to participate and provide valuable input into the establishment of baseline GHG emissions and quantification of the GHG emission reduction measure. To be approvable, GHG emissions reduction measures used to meet BPS requirements must be demonstrated to achieve real GHG emission reductions when compared to baseline conditions. Such reductions must be quantifiable to support a determination that project specific GHG emissions would have a less than significant individual and cumulative impact.

The public process will begin with an initial outreach via the District's CCAP list server. Individuals interested in participating in the public process would register themselves with a list server dedicated to the GHG emission reduction measure under development. Those registered with the CCAP list server will be notified when the District initiates the process of establishing GHG emission reduction measure. When draft documents are available on the District's website for review and comment, a notice of availability will be send via the GHG emission reduction measure list server. Workgroups would be convened as necessary to obtain additional technical information for use in establishing baseline emissions or GHG emission reduction measure. After receiving public input, the GHG emission reduction measure will be finalized and posted on the District's website at http://www.valleyair.org/Programs/CCAP/ghg/ghg idx.htm. Availability of final GHG emission reduction measures will be noticed via the District's general CCAP list server.

F. New GHG Emission Reduction Measure

In cases where the land-use agency or project proponent is proposing a GHG emission reduction measure that is not listed on the District's compilation of development project GHG emission reduction measures, the land-use agency is encouraged to consult with the District to quantify the GHG emission reduction benefits and add the proposed measure to the listing of District approved GHG emission reduction measures.

G. Resources

Please refer to District's *Guidance for Valley Land-use Agencies in Addressing GHG Emission Impacts for New Projects under CEQA*. This document and related information can be found at: <u>http://www.valleyair.org/Programs/CCAP/CCAP_menu.htm</u></u>. For questions and comments associated with this guidance, contact District's CEQA Program Department at (559) 230-6000 or <u>ceqa@valleyair.org</u>.