



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SENT VIA E-MAIL:

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jperez@newportbeachca.gov

Joselyn Perez, Senior Planner
City of Newport Beach
Planning Division
100 Civic Center Drive
Newport Beach, CA 92660

**Notice of Intent to Adopt an Initial Study/Mitigated Negative Declaration
(IS/MND) for the
Landfill Gas to Energy Plant Project (PA2022-063) (Proposed Project)
(SCH: 2024120012)**

South Coast Air Quality Management District (AQMD) staff appreciate the opportunity to review the above-mentioned document. The City of Newport Beach is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. To provide context, South Coast AQMD staff has provided a brief summary of the project information and prepared the following comments which are organized by topic of concern.

Summary of Proposed Project Information in the IS/MND

Based on the IS/MND, the Proposed Project consists of developing a renewable natural gas (RNG) processing plant and a pipeline interconnection facility on 4.14 acres on a site located adjacent to the closed Coyote Canyon Landfill. The proposed RNG Plant is intended to process and treat excess landfill gas (LFG) from the Coyote Canyon Landfill Gas Collection and Control System, which would otherwise be incinerated at the existing, adjacent flare station, and route the processed product gas, RNG, to SoCalGas for use by their customers.

The proposed RNG facility would have a total building footprint of 38,500 square feet (0.88 acre) composed of pipe racks, various vessels, a condensate tank, flare, thermal oxidizer, and other processing equipment. The first stage of primary treatment of LFG currently occurs at an existing landfill flaring facility on the project site operated by Orange County Waste and Recycling. Under the Proposed Project, however, the LFG would be conveyed to the proposed RNG facility through a proposed underground LFG supply line where it would undergo secondary and advanced treatment. The treated LFG would then be injected into SoCalGas infrastructure in the western part of the site via the proposed 6,000-square-foot pipeline interconnection facility. The interconnection facility would include a point of receipt (POR) skid to monitor the quality of the RNG and an 8-inch pipeline extension dedicated to transfer the RNG from the POR to the existing fossil natural gas pipeline tie-in point. Other project components include vehicular access, installation of a fire hydrant, a water tank on site, a septic tank for the proposed control room, and new underground power and telecommunication lines. Based on a review of aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor (e.g., residential development) is located 1,200 feet to the south of the Proposed Project site.¹ Project development is anticipated

¹ IS/MND p. 11.

to take approximately 12 months, from February 2025 to January 2026.² The Proposed Project site is located at 20662 Newport Coast Drive in the City of Newport Beach.³

South Coast AQMD Comments

Recommended Revisions to Greenhouse Gas Analysis

According to Section 1 - Project Description of the IS/MND, the Lead Agency proposes to develop the RNG Plant to process a maximum of 3,200 standard cubic feet per minute (scfm) of raw (untreated) LFG which is comprised of approximately 40-45% methane (CH₄).⁴

The Proposed Project's greenhouse gas (GHG) emission estimates are summarized in Table 9 - Greenhouse Gas Emissions Summary and Significance Evaluation.⁵ A portion of the GHG emission estimates in Table 9 appear to have been calculated using the California Emissions Estimator Model (CalEEMod) for direct on-site and off-site GHG emissions from construction and operation, as well as indirect off-site GHG emissions from electric power, water conveyance, and waste disposal. Meanwhile, the GHG emissions from stationary sources, including the RNG thermal oxidizer, enclosed RNG flare, and emergency generator, were calculated separately and added to Table 9. However, the GHG analysis in the IS/MND neither appears to include the baseline GHG emissions from the LFG itself, nor the GHG emissions from the proposed flare and the product gas (RNG) that will be sent to SoCalGas. The IS/MND states that only anthropogenic GHGs (CH₄ and nitrous oxide (N₂O) from the tail gas combustion), not biogenic GHGs from the LFG itself, were included in the analysis. While this approach may be suitable for the purpose of complying with the California Air Resources Board's GHG Mandatory Reporting Regulation, CEQA Guidelines Section 15064.4 requires a Lead Agency to make a good-faith effort, based to the extent possible on scientific and factual data, to describe, calculate, or estimate the *full scope* of all sources of GHG emissions.^{6,7} Therefore, as explained in further detail, the IS/MND should evaluate all GHG emissions, including carbon dioxide (CO₂) from the tail gas from the thermal oxidizer as well as CO₂, CH₄, and N₂O from the proposed flare, and compare the total post-project GHG emissions in terms of carbon dioxide equivalents (CO₂eq) to the existing environmental setting/baseline conditions.

In addition, it is unclear in the IS/MND how the CEQA baseline for the existing environmental setting and post-project GHG sources were defined for the Proposed Project. The GHG baseline should discuss existing conditions, including direct and indirect on-site and off-site sources such as the 3,200 scfm of raw LFG (40-45% methane) currently collected and sent to the existing flare. To calculate GHG emissions for both the baseline and the Proposed Project (e.g., post-project conditions), the Lead Agency is recommended to first convert the emissions of CO₂, CH₄, and N₂O into CO₂eq by applying the appropriate Global Warming Potentials (GWPs) and then subtract the baseline emissions from the post-project emissions to determine the incremental

² *Ibid* p. 49.

³ *Ibid* p. 13.

⁴ *Ibid* p. 392.

⁵ *Ibid* p. 94.

⁶ 2018 Amendments to CARB Mandatory Reporting Regulation are available at <https://ww2.arb.ca.gov/mrr-regulation>.

⁷ CEQA Guidelines Section 15064.4, available at <https://casetext.com/regulation/california-code-of-regulations/title-14-natural-resources/division-6-resources-agency/chapter-3-guidelines-for-implementation-of-the-california-environmental-quality-act/article-5-preliminary-review-of-projects-and-conduct-of-initial-study/section-150644-determining-the-significance-of-impacts-from-greenhouse-gas-emissions>.

change.⁸ The GHG analysis in the IS/MND should also discuss post-project scenarios for GHG sources by addressing both construction and all operational GHG sources. GHGs from short-term construction activities are typically amortized over 30 years. To amortize GHGs from temporary construction activities over a 30-year period (estimated life of the project/equipment), the amount of CO₂eq emissions during construction are calculated and then divided by 30. Relative to operational activities, the GHG analysis should include all direct and indirect on-site and off-site sources, including but not limited to: 1) the RNG product gas sent to SoCalGas; 2) the RNG thermal oxidizer; 3) the RNG flare; 4) any supplemental fuel (natural gas) used by the flare and thermal oxidizer; 5) the emergency generator; 6) energy use and employee transportation for onsite workers; 7) fugitive emissions;⁹

Once the baseline and post-project GHG sources are defined and their emissions are quantified, the net change of GHGs between the two should be compared to the South Coast AQMD's air quality significance threshold of 10,000 metric tons per year (MT/yr) of CO₂eq to determine the significance of the GHG impacts. As a result, the Lead Agency is recommended to revise the GHG analysis in the revised or Final CEQA document.

Omission of Supplemental Fuel Usage for the Enclosed RNG Flares from the Air Quality Analysis

Based on the IS/MND, the air quality analysis includes emissions from supplemental fuel utilized by the thermal oxidizer at the landfill. However, the analysis does not address the emissions from supplemental fuel usage for the enclosed RNG Flares.¹⁰ If the utilization of supplemental fuel is anticipated for these flares during the startup, normal operation, or periods of low-quality or insufficient RNG, the associated emissions should be analyzed and quantified. Therefore, the Lead Agency is advised to: 1) identify the type and quantity of the expected supplemental fuel; 2) address the associated emissions and the environmental impacts, including the criteria air pollutants, toxics, and GHG emissions; and 3) include this analysis and information in the IS/MND.

Clarification of Health Risk Units and Comparison with South Coast AQMD Air Quality Significance Threshold for Toxic Air Contaminants

Health risks associated with exposure to carcinogenic compounds emitted from the Proposed Project site are expressed as the probability of developing cancer. According to the IS/MND, the incremental cancer risks for residential and commercial areas are presented in Table 7 - Off-Site Health Risk Assessment Results – Air Toxics.¹¹ However, the individual and total cancer risk values in the Table 7 are not reported in units of "per million" but have been compared to the South Coast AQMD's maximum incremental cancer risk threshold of 10 in one million. Therefore, the units do not align with the threshold for comparison. It is recommended that the Lead Agency correct the units by multiplying all values in Table 7 by one million to ensure consistency. Once

⁸ The most recent Global Warming Potentials (GWPs) are available on U.S. EPA's website at: <https://www.epa.gov/ghgemissions/understanding-global-warming-potentials>

⁹ Estimates of landfill gases emissions from the landfill and the RNG facility can be found in U.S. EPA's *Landfill Gas Energy Project Development Handbook*, available at: <https://www.epa.gov/lmop/landfill-gas-energy-project-development-handbook> and *Landfill Gas Emissions Model (LandGEM)*, available at: <https://www.epa.gov/catc/clean-air-technology-center-products#software>

¹⁰ IS/MND, Table 3 - Comparison of Project Emissions to Regional Daily Thresholds, p. 78.

¹¹ IS/MND, p. 72.

adjusted, the values can be accurately compared to the South Coast AQMD's maximum incremental cancer risk threshold.¹²

Project Scope and Cumulative Impacts

Section 1.1 - General Description of the IS/MND states, "SoCalGas will develop a POR facility which will receive RNG from the plant, odorize, compress, and insert the RNG into its pipeline. A 120-gallon odorant tank will be installed in the POR facility."¹³ Figure 7 - RNG Process Design Flow,¹⁴ and Figure 6 - Conceptual Site Plan,¹⁵ both indicate that the SoCalGas POR facility is within the boundary of the Proposed Project, but the SoCalGas POR facility and its associated equipment do not appear to be analyzed in the IS/MND. To avoid concerns about piecemealing under CEQA, South Coast AQMD staff recommend that the IS/MND be revised to also include a thorough air quality analysis of the impacts, including modeling, from the SoCalGas POR facility. Additionally, the transportation route for RNG fuel from the project site to the SoCalGas POR facility should be incorporated into the project boundary. This inclusion is essential for conducting a comprehensive air quality modeling analysis to assess potential impacts on the surrounding community. If the Lead Agency determines that the SoCalGas POR facility is not part of the Proposed Project, its impacts should be evaluated and discussed as cumulative impacts in Section 3.4.21 - Mandatory Findings of Significance, in accordance with CEQA Guidelines Appendix G – Environmental Checklist Form, Section XVIII - Mandatory Findings of Significance (b).

South Coast AQMD Air Permits and Role as a Responsible Agency

If implementation of the Proposed Project would require the use of new stationary and portable sources, including but not limited to emergency generators, fire water pumps, boilers, etc., air permits from South Coast AQMD will be required. The final CEQA document should include a discussion about the South Coast AQMD rules that may be applicable to the Proposed Project. Those rules may include, but are not limited to, Rule 201 – Permit to Construct,¹⁶ Rule 203 – Permit to Operate,¹⁷ Rule 401 – Visible Emissions,¹⁸ Rule 402 – Nuisance,¹⁹ Rule 403 – Fugitive Dust,²⁰ Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines,²¹ Rule 1113 – Architectural Coatings,²² Rule 1166 – Volatile Organic Compound Emissions From Decontamination of Soil,²³ Rule 1179 – Publicly Owned Treatment Works Operations,²⁴ Regulation XIII – New Source Review,²⁵ Rule 1401 – New Source Review of Toxic Air Contaminants,²⁶ Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air

¹² South Coast AQMD Air Quality Significance Thresholds, <https://www.aqmd.gov/docs/default-source/ceqa/handbook/south-coast-aqmd-air-quality-significance-thresholds.pdf>

¹³ IS/MND, p. 737.

¹⁴ IS/MND, p. 30.

¹⁵ IS/MND, p. 28.

¹⁶ South Coast AQMD Rule 201 available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf>

¹⁷ South Coast AQMD Rule 203 available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf>

¹⁸ South Coast AQMD Rule 401 available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-iv/rule-401.pdf>

¹⁹ South Coast AQMD Rule 402 available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-iv/rule-402.pdf>

²⁰ South Coast AQMD Rule 403 available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-iv/rule-403>

²¹ South Coast AQMD Rule 1110.2 available at: https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110_2.pdf

²² South Coast AQMD Rule 1113 available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf>

²³ South Coast AQMD Rule 1166 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf>

²⁴ South Coast AQMD Rule 1179 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf>

²⁵ South Coast AQMD Regulation XIII available at <https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii>

²⁶ South Coast AQMD Rule 1401 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf>

Contaminants,²⁷ and Rule 1470 – Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines.²⁸

In addition, it is important to note that since air permits from South Coast AQMD are required, South Coast AQMD's role under CEQA is as a Responsible Agency. CEQA Guidelines Section 15096 sets forth specific procedures for a Responsible Agency, including making a decision on the adequacy of the CEQA document for use as part of the process for conducting a review of the Proposed Project and issuing discretionary approvals. Moreover, it is important to note that if a Responsible Agency determines that a CEQA document is not adequate to rely upon for its discretionary approvals, the Responsible Agency must take further actions listed in CEQA Guidelines Section 15096(e), which could have the effect of delaying the implementation of the Proposed Project. In its role as CEQA Responsible Agency, the South Coast AQMD is obligated to ensure that the CEQA document prepared for this Proposed Project contains a sufficient project description and analysis to be relied upon in order to issue any discretionary approvals that may be needed for air permits. South Coast AQMD is concerned that the project description and analysis in its current form in the IS/MND is inadequate to be relied upon for this purpose.

For these reasons, the analysis should be revised so that the final CEQA document includes a discussion about any and all new stationary and portable equipment requiring South Coast AQMD air permits and to provide the evaluation of their air quality and GHG impacts for the Proposed Project as this information will be relied upon as the basis for the permit conditions and emission limits for the air permit(s). Please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-3385 for questions regarding what types of equipment would require air permits. For more general information on permits, please visit South Coast AQMD's webpage at <https://www.aqmd.gov/home/permits>.

Conclusion

The Lead Agency is recommended to revise the CEQA analysis to address the aforementioned comments and provide the necessary evidence to sufficiently support the conclusions reached. If the requested information and analysis are not included in the final CEQA document, either the Final IS/MND or other type of CEQA document, the Lead Agency should provide reasons for not doing so. Pursuant to California Public Resources Code Section 21092.5(b) and CEQA Guidelines Section 15074, prior to approving the Proposed Project, the Lead Agency shall consider the IS/MND for adoption together with any comments received during the public review process and notify each public agency when any public hearings are scheduled. Please provide South Coast AQMD with written responses to all comments contained herein prior to the adoption of the Final IS/MND. When responding to issues raised in the comments, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided. In addition, if the Lead Agency decides to adopt the Final IS/MND, please provide South Coast AQMD with a notice of any scheduled public hearing(s).

Thank you for the opportunity to provide comments. South Coast AQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact Sahar Ghadimi, Air Quality Specialist, at sghadimi@aqmd.gov should you have any questions.

²⁷ South Coast AQMD Rule 1466 available <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf>

²⁸ South Coast AQMD Rule 1470 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf>

Sincerely,

Sam Wang

Sam Wang

Program Supervisor, CEQA IGR

Planning, Rule Development & Implementation

BR:ND:SW:SG
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