

# **Kern Front Oil Field Steam Generators By Vintage Production California, LLC**

**Project Number S-1123499** 

**Kern County** 

Initial Study and Final Mitigated Negative Declaration

March 2013

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# INITIAL STUDY AND FINAL MITIGATED NEGATIVE DECLARATION

# Kern Front Oil Field Steam Generators By Vintage Production California, LLC

# **Project Number S-1123499**

# March 2013

Lead Agency: San Joaquin Valley Air Pollution Control District

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# San Joaquin Valley Unified Air Pollution Control District Initial Study and Final Mitigated Negative Declaration Kern Front Oil Field Steam Generators (S-1123499)

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#### A. Introduction

Vintage Production California, LLC (VPC) is a Title V oil production company with facilities located in Kern County, California. VPC is proposing to install and operate twelve (12) new 85 MMBtu/hr natural gas-fired steam generators in three (3) phases. Phases 1 and 2 include the installation of three (3) steam generators each, while Phase 3 includes the installation of six (6) steam generators. The proposed project will be located within VPC's Heavy Oil Central Stationary Source in the Kern Front Oil Field, Kern County, California.

The project is consistent with current operations and will allow for continued oil and gas related activities necessary to enhance oil recovery within the current operations of VPC. As presented in this environmental document, the San Joaquin Valley Unified Air Pollution Control District (District) has conducted an Initial Study and concludes that, with mitigation, the project will have a less than significant environmental impact.

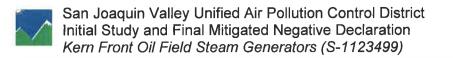
# B. Purpose and Authority

The District has discretionary approval power over the project via its Permits Required Rule (Rule 2010) and New and Modified Stationary Source Review Rule (Rule 2201). No other agency is known to have discretionary approval over the project. As such, the District is the public agency having principal responsibility for approving the project and serves as Lead Agency (CCR §15367).

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The District adopted its *Environmental Review Guidelines* (ERG) in 2001. The ERG was prepared to comply with this requirement and is an internal document used to comply with CEQA.

The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.
- Prevent significant, avoidable damage to the environment by requiring changes in projects through use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.



Under CEQA the Lead Agency is required to:

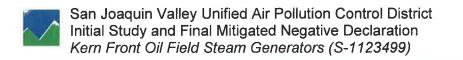
- Conduct preliminary reviews to determine if applications are subject to CEQA [CCR §15060].
- Conduct review to determine if projects are exempt from CEQA [CCR §15061].
- Prepare Initial Studies for projects that may have adverse environmental impacts [CCR §15063].
- Determine the significance of the environmental effects caused by the project [CCR §15064]
- Prepare Negative Declarations or Mitigated Negative Declarations for projects with no significant environmental impacts [CCR §15070].
- Prepare, or contract to prepare, EIRs for projects with significant environmental impacts [CCR §15081].
- Adopt reporting or monitoring programs for the changes made to projects or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment [PRC §21081.6 & CCR §15097].
- Comply with CEQA noticing and filing requirements.

# C. Project Background Information

# **Project Description**

VPC is a major source as defined in Section 3.23 of District Rule 2201 (New and Modified Stationary Source Review Rule). Therefore, the installation and operation of stationary source equipment for this project is subject to District permit requirements. One major requirement is that new and modified equipment that has air contaminant emissions must satisfy the requirements of New Source Review (NSR). The main requirements of NSR are to require the installation of Best Available Control Technology (BACT) to minimize emission increases from such equipment and to mitigate emission increases over certain thresholds by providing emission reductions either by limiting the use of existing equipment or by providing emission offsets.

VPC proposes the installation and operation of twelve (12) natural gas-fired 85.0 MMBtu/hr steam generators in three (3) phases. The new steam generators will be equipped with North American 4231-85 GLE (or equivalent) burners and flue gas recirculation (FGR) system and will be located in two (2) specified project sites within VPC's Heavy Oil Central Stationary Source (Facility S-1326) in the Kern Front Oil Field, Kern County, California. The steam generators are necessary to produce steam for existing and future oil recovery operations. VPC intends to stage construction of the steam generators over the next several years. The District has prepared engineering evaluations for each of the three (3) phases (S-1112303, S1120405, and S-1123499) to evaluate the impacts from emissions associated with the proposed operations of the twelve (12) steam generators.



VPC's Facility S-1326 received their Title V permit on August 31, 2001. Pursuant to Rule 2520 (Federally Mandated Operating Permits), Section 3.20, the project can be classified as a Title V significant modification and can be processed with a Certificate of Conformity. As such, prior to the issuance of the ATCs, the project must be submitted to the US Environmental Protection Agency (US EPA) for a 45-day comment period. VPC must apply to administratively amend the Title V operating permit to include the requirements of the ATCs issued with the project.

## **Project Construction**

Construction of the steam generators is expected to begin in 2013 with full buildout expected to occur by 2016. The steam generators will be sited in areas where there will be minimal "new" disturbance of soil, native vegetation, and habitat. Construction activities include site preparation (concrete foundations) and installation of twelve (12) steam generators and associated piping and electrical systems.

Approximately twelve (12) acres of soil is expected to be disturbed in connection with construction activities, most of which is previously disturbed surface from other oil field related activities. All of the surface area disturbed by construction is expected to remain as part of the plant site after construction is complete. The project areas anticipate approximately two (2) vehicle access points during and after construction. Temporary equipment staging areas will become part of the plant site and be set aside for employee and visitor vehicle parking.

There will be few if any new permanent employees; existing VPC staff and contract workers will be reassigned to this location from other positions at the Kern Front oil field. It is expected that approximately 20 workers will be needed during peak construction activities.

# **Process Description**

Steam generators are an integral part of normal steamflood operations where steam is injected into the subsurface formation to aid in oil recovery. A steam generator is a device that uses a heat source to boil liquid water and convert it into its vapor phase, referred to as steam. The heat may be derived from the combustion of a fuel. For this project, the steam generators will be authorized to burn only Public Utility Commission (PUC) quality natural gas with a sulfur content not exceeding 1.0 grain of sulfur per 100 standard cubic feet (scf). The proposed steam generators will be equipped with North American GLE low-NOx burner assemblies (or equivalent) capable of achieving NOx emissions of 7 ppmvd at 3% O<sub>2</sub> and FGR, which satisfies the Technologically Feasible BACT requirement of District Rule 2201.

Oilfield steam generators are designed to produce wet steam in the range of 50 - 80% quality and at pressures up to 2,500 psia for injection into heavy oil reservoirs to

enhance the recovery of viscous crude oils. Steam leaves the steam generation plant and enters the field distribution system. The distribution system transports the steam to measurement and control equipment located at each steam injector. There the steam is metered and controlled to achieve the target injection rate. The new steam generators will be used for steam enhanced oil production at various specified locations within two (2) project sites. Depending on the location, the new steam generators will provide steam to wells permitted under existing ATC permit number S-1326-287.

#### **Project Location**

The project is located in Kern County, California, which is the San Joaquin Valley Air Basin (see Figure 1). Table 1 below identifies the two (2) project sites in which the steam generators will be located. These locations are within the boundaries of the existing Kern Front Oil Field, as designated by the California Department of Oil, Gas, and Geothermal Resources (DOGGR).

The Kern Front Oil Field covers an area of approximately 15 square miles and is located approximately ten (10) miles north of the City of Bakersfield and five (5) miles north of the unincorporated community of Oildale (see Figures 2 and 3). Figure 4 show the project areas within the Kern Front Oil Field.

**Table 1: Location of Proposed Project** 

Project Site	Section	Township	Range
1	23	28 S	27 E
2	26	28 S	27 E

# General Plan Designation and Zoning

The project sites are currently designated in the Kern County 2009 General Plan as Mineral and Petroleum (Code 8.4) and are currently zoned as Limited Agriculture (Zone A-1). Pursuant to Section 19.14.020(E) of the Zoning Ordinance of Kern County, steam generators (excluding coal fired), are a permitted use, by right, in Zone A-1.

# Surrounding Land Uses and Setting

The areas immediately surrounding the project sites are currently zoned Limited Agriculture (Zone A-1) and Natural Resources (NR-5) and are currently developed with oil field production.

Highland Elementary School and North School are located southeast of the project in the unincorporated community of Oildale. The District has verified that the project is not within 1,000 feet of the outer boundary of either school. Therefore, the public



notification requirement of California Health and Safety Code 42301.6 is not applicable to the project.

# Other Public Agencies Whose Approval Is Required

#### California Air Resources Board (ARB)

Pursuant to District Rule 2201, Section 3.18 the project is classified as a Federal Major Modification. As such, the project must be submitted to the ARB for a 30-day comment period.

# California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR)

The DOGGR has the authority to order the re-abandonment of previously abandoned wells. Prior to construction, VPC will provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the steam generator sites have been submitted to DOGGR for review.

# California Department of Fish and Wildlife (CDFW)

The CDFW has regulatory authority over projects that could result in the "take" of any species identified by the State of California as threatened or endangered. If the project would result in the take of any identified species, an Incidental Take Permit would be required.

# California Regional Water Quality Control Board (RWQCB)

The project will result in no waste or water discharge; hence no approvals from the RWQCB will be required. Also, no streambed or lake alterations will occur as a result of the project.

# Kern County Planning Department

The project is within VPC's existing surface boundaries in the Kern Front Oil Field. The proposed steam generators are permitted uses under the existing county land use designations and zoning. As such, the Kern County Planning Department requires only the issuance of grading and building permits. All applicable building permits from the Kern County Planning and Building Department will be acquired prior to commencement of site work. Currently no other specific project-related items have been identified which will require further approval by the Kern County Planning Department.

# US Environmental Protection Agency (US EPA)

As the project is classified as a Title V major modification to be processed with a Certificate of Conformity, it must be submitted to the US EPA for a 45-day comment period. VPC must apply to administratively amend the Title V operating permit to include the requirements of the ATCs issued with the project.

# US Fish and Wildlife Service (USFWS)

The USFWS has regulatory authority over projects that could result in the "take" of any species identified as threatened or endangered. If the project would result in the incidental take of any federally identified species, an Incidental Take Permit and/or a Habitat Conservation Plan would be required.

# D. Decision to Prepare a Mitigated Negative Declaration

Consistent with CEQA requirements the District prepared an Initial Study that evaluated potential environmental effects of the project. The District has determined that with mitigation the project will have a less than significant impact on the environment. The District concludes that a Mitigated Negative Declaration would be appropriate for the project. Project design elements and mitigation measures that reduce the project's impact on the environment would be enforced through:

- District permit conditions and offset fees;
- Incorporation of Best Performance Standards (BPS);
- Corrective actions to be taken to reduce impacts if species known to be protected are identified within the project sites; and
- Cessation of construction activities if cultural/archaeological remains are found.



Figure 1. Regional Location within the SJVAB



Greenfield

King City

Coalings

Porterville

Sain Ardo

Avenal

City

Paso Robles

Atascadero

Morro Bay

San Luis

Obispo

Pismo Beach

Fismo Beach

Santa Maria

Antelope

Valley

133

Lomipoc

Santa Barbara

Santa Clarito

Figure 2: Kern Front Oilfield

Map provided by Wikipedia. November 2012. Website: http://en.wikipedia.org/wiki/Kern\_Front\_Oil\_Field



Figure 3: Project Location and Vicinty Map

Map provided by Kern County GIS. December 2012. Website: http://www.co.kern.ca.us/

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Figure 4: Land Use Designation

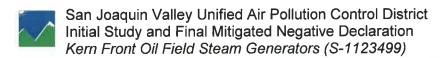


Map provided by Kern County GIS. December 2012. Website: http://www.co.kern.ca.us/

| Part |

Figure 5: Zoning

Map provided by Kern County GIS. December 2012. Website: http://www.co.kern.ca.us/



# E. Environmental Factors Potentially Affected

The environmental factors checked below would be potentially affected by the proposed Project, involving at least one impact that is a "Potentially Significant Impact" or "Potentially Significant Unless Mitigated", as indicated by the checklist on the following pages.

Agriculture and Forestry Air Quality

F. Determination  I certify that the Project was independently reviewed and analyzed and that thi document reflects the independent judgment of the District.  I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.  I find that although the proposed project could have a significant effect on the environment there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION has been prepared.  I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.  I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been addequately analyzed in an earlier document pursuant to applicable legal standards, and 2 has been addressed by mitigation measures based on the earlier analysis as described or attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyzed only the effects that remain to be addressed.  I find that although the proposed project could have a significant effect on the environment because all potentially significant effects (a) have been analyzed adequately in an earlier Elfor NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions o mitigation measures that are imposed upon the proposed project, nothing further is required.  Signature:  Date:		Biological Resources Greenhouse Gas Emissions Land Use / Planning Population / Housing Transportation / Traffic		Resources Cultural Resources Hazards & Hazardous Materials Mineral Resources Public Services Utilities / Service Systems		Geology / Soils Hydrology / Water Quality Noise Recreation Mandatory Findings Significance	of
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Printed name: David Warner		because all potentially sig or NEGATIVE DECLARA or mitigated pursuant to the mitigation measures that a	nificant e FION pu aat earlie are impos	effects (a) have been analy rsuant to applicable stand or EIR or NEGATIVE DECL sed upon the proposed pro	yzed ad ards, a _ARATI	lequately in an earlier nd (b) have been avo ON, including revisior	EIR ided ns or
	Signa	ture:	uel M	llegotler	D	ate: April 23, 2013	3
Title: Director of Permit Services	Printe	d name: LDavid Warner		,			
	Title	Director of Permit Servi	ces		_		

# G. Environmental Impact Checklist

	esthetics the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Have a substantial adverse effect on a scenic vista?				Х
b)	Substantially damage scenic resources, including, but not limited to trees, rock, outcroppings, and historic buildings within a state scenic highway?				X
c)	Substantially degrade the existing visual character or quality of the site and its surroundings?				X
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X

#### I. AESTHETICS

# Scenic Vistas and Visual Character (a-d)

Conclusion: The project will not have an impact on scenic vistas, damage scenic resources, degrade visual character in and around the sites or create new sources of light or glare.

**Discussion:** The project is located within VPC's existing surface boundaries in the Kern Front Oil Field which historically has allowed for the exploration and production of oil. The project is consistent with current and surrounding land uses. No scenic vistas or highways exist on the project site or on the properties adjacent to the project site. No scenic resources such as rock outcroppings, trees, or historic buildings exist on the project site. The absence of scenic vistas and other scenic resources on or near the project site precludes the possibility of potential adverse impacts.

The project is located approximately five (5) miles north of the unincorporated community of Oildale. Existing lighted oilfield sources are located between the project site and Oildale. Ground preparation activities are expected to be conducted during daylight hours only. Minimal operational lighting may be installed at the site and will be consistent with the existing operations. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would have a detrimental impact on aesthetics.

Mitigation: None required.

# References

California Department of Transportation. *Officially Designated State Scenic Highways*, Website: http://www.dot.ca.gov/hq/LandArch/scenic\_highways/index.htm

Potentially

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

			Significant		
II. A	gricultural Resources	Potentially	Impact	Less Than	
	9	Significant	Unless	Significant	No
		Impact	Mitigated	Impact	Impact
In det	ermining whether impacts to agricultura				
	ies may refer to the California Agricultu				
	ed by the California Department of C				
	ts on agricultural and farmland. In dete				
	land, are significant environmental effect				
	nia Department of Forestry and Fire P				
	ng the Forest and Range Assessment				
	carbon measurement methodology pro-				
	rce Board.	vided iii i ole:	st Flotocois at	aopted by the	Camorna An
Nesou	ice board.				
Would	the Project				
	Convert Prime Farmland, Unique				
· ·	Farmland, or Farmland of Statewide				
	Importance (Farmland), as shown on				
	the maps prepared pursuant to the				X
	Farmland Mapping and Monitoring				
	Program of the California Resources				
	Agency, to non-agricultural use?				
b)					
l '	agricultural use, or a Williamson Act				X
	contract?		1		
c)	Conflict with existing zoning for, or				
·	cause rezoning of, forest land (as				
	defined in Public Resources Code				
	section 12220 (g)), timberland (as				
	defined by Public Resource Code				Х
	section 4526), or timberland zoned				
	Timberland Production (as defined by				
	Government Code section 51104				
	(g))?				
d)	Result in the loss of forest land or				
-/	conversion of forest land to non-				X
	forest use?				
e)	Involve other changes in the existing				
-/	environment which, due to their				
	location or nature, could result in				
	conversion of Farmland, to non-				X
	agricultural use or conversion of				
	forest land to non-forest use?				
	ioroot idira to non forest doc:				

#### II. AGRICULTURAL RESOURCES

## Farm and Forest Lands (a-e)

**Conclusion:** The project will not conflict with existing zoning and will not have an impact on agriculture and forest lands.

**Discussion:** The project sites are currently designated in the Kern County 2009 General Plan as Intensive Agriculture (Code 8.1) and Mineral and Petroleum (Code 8.4) and are currently zoned as Limited Agriculture (Zone A-1). Pursuant to Section 19.14.020(E) of the Zoning Ordinance of Kern Count, steam generators (excluding coal fired), are a permitted use, by right, in Zone A-1.

The project is within the existing Kern Front Oil Field boundaries as designated by DOGGR. The exploration and production of oil have historically been allowed on the project site. The project site is not designated as Prime Farmland, Unique Farmland, or of Statewide Importance. No forest lands are located on the project site. The project is consistent with current and surrounding land uses and will not convert farm or forest lands to non-farm or non-forest uses. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would have an impact on farm or forest lands.

Mitigation: None required.

### References

California Department of Conservation. *Farmland Mapping & Monitoring Program.* Website: http://www.conservation.ca.gov/dlrp/fmmp/Pages/Index.aspx.

County of Kern. 2009 General Plan. Website: http://www.co.kern.ca.us/planning/pdfs/kcgp/KCGP.pdf.

County of Kern. *Engineering*, *Surveying and Permit Services*. *Website:* http://esps.kerndsa.com/gis.

County of Kern. *Planning and Community Development*. Website: http://pcd.kerndsa.com/planning/latest-planning-news/257-zoning-ordinance.

Frost, Jerry, Operations Manager. Vintage Production California, LLC. Electronic and Telephone Communication.

III.	Air Quality I the Project:	Potentially Significant Impact		Less Than Significant Impact	No Impact
Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.  Would the Project:					
a)	Conflict with or obstruct implementation of the applicable air quality plan?		x		
b)	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?		x		
c)	Result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?		x		
d)	Expose sensitive receptors to substantial pollutant concentrations?			х	
e)	Create objectionable odors affecting a substantial number of people?			x	

### III. AIR QUALITY

# Air Quality Plans and Standards (a, b, c)

**Conclusion:** The project, with the incorporation of mitigation measures, will have a less than significant impact on air quality.

**Discussion:** The District is tasked with implementing programs and regulations by the Federal Clean Air Act and the California Clean Air Act and has prepared plans to attain federal and state Ambient Air Quality Standards (AAQS). The District has established thresholds of significance for criteria pollutant emissions, which are based on federal and District New Source Review (NSR) offset requirements for stationary sources.

Stationary sources in the District are subject to some of the toughest regulatory requirements in the nation. Emission reductions achieved through implementation of federal offset requirements are a major component of the District's air quality plans. Thus, projects with emissions below the thresholds of significance for criteria pollutants would be determined not to conflict or obstruct implementation of the District's air quality plans.

Emissions from operational non-permitted equipment and activities are evaluated separate from permitted equipment and activities. A project would be determined to have a significant long-term impact on air quality if the emissions sum for any criteria

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pollutant exceeds its respective threshold of significance. The District's thresholds of significance for criteria pollutant emissions and their application are presented below in Table 2.

**Table 2: District Thresholds of Significance for Criteria Pollutants** 

Pollutant	Construction Emission Threshold (tpy*)	Permitted Operational Emission Threshold (tpy)	Non-Permitted Operational Emission Threshold (tpy)
NOx	10	10	10
SOx	27	27	27
PM <sub>10</sub>	15	15	15
CO	100	100	100
ROG	10	10	10
* tpy = tons pe	r year		

## **Project Details**

VPC proposes the installation and operation of twelve (12) natural gas-fired 85.0 MMBtu/hr steam generators in three (3) phases within their current operations in the Kern Front Oil Field, Kern County, California. The new steam generators will be located in two (2) specified project sites within their existing Heavy Oil Central Stationary Source (Facility S-1326). The twelve (12) new natural gas-fired 85.0 MMBtu/hr steam generators equipped with North American 4231-85 GLE low-NOx burner assemblies (or equivalent) capable of achieving NOx emissions of 7 ppmvd @ 3% O<sub>2</sub> and an FGR system. The steam generators are necessary to produce steam for existing and future thermally enhanced oil recovery (TEOR) operations. VPC intends to stage construction of the steam generators over the next three (3) years.

#### Construction Emissions

The twelve (12) steam generators will be sited in areas where there will be minimal "new" disturbance of soil, native vegetation, and habitat. Construction activities include site preparation (concrete foundations), installation of twelve (12) steam generators and associated piping and electrical systems, and construction worker commutes. Construction of the steam generators for Phase 3 is expected to begin in 2013 with full buildout expected to occur by 2016. Table 3 below presents the annual construction emissions for for Phase 3.

As demonstrated in Table 3, construction related emissions do not exceed the District's thresholds of significance and, therefore, mitigation measures are not required. The

District concludes that Phase 3 project related construction emissions will have a less than significant impact on air quality.

Table 3 - Construction Emissions

	NOx (tons)	PM <sub>10</sub> <sup>a</sup> (tons)	CO (tons)	VOC (tons)
Construction Emissions – 2013	3.1	1.2	1.6	0.4
Construction Emissions – 2014	4.3	1.9	2.4	0.5
Construction Emissions – 2015	4.4	1.9	2.4	0.5
Significance Thresholds	10.00	15.00	100.00	10.00
Exceeds Significance Threshold? b	No	No	No	No

<sup>&</sup>lt;sup>a</sup> Emissions include both fugitive dust and equipment exhaust emissions.

# **Operational Emissions**

Mobile Source Emissions: The project will be maintained and manned by existing VPC personnel and contractors. Therefore, the project will not result in any new mobile source emissions.

Stationary Source Emissions: Steam generators are capable of generating NOx, CO, VOC, PM<sub>10</sub> and SOx emissions. The District has received ATC applications for each of the three (3) phases (S-1112303, S-1120405, and S-1123499) of installation and operation of the twelve (12) new steam generators. The District prepared engineering evaluations for each phase that demonstrate that, with the incorporation of design elements and permit conditions, potential impacts from project related criteria pollutant emissions would be mitigated to a less than significant impact.

Project related criteria pollutant emissions exceeding the District's thresholds of significant are required to be fully offset and enforced through permit conditions requiring the surrendering of emission reduction credits (ERCs). Table 4 below identifies the criteria pollutant emissions from the twelve (12) new steam generators and the offsets required. As seen below, project related annual emissions are: 35.76 tpy NOx, 12.73 tpy SOx, 13.40 tpy PM<sub>10</sub>, 69.14 tpy CO, and 24.57 tpy VOC.

<sup>&</sup>lt;sup>b</sup> Thresholds as compared to the year with highest construction emissions.

**Table 4 – Operational Emissions** 

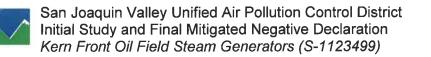
Unit No.	ATC Project	NOx <sup>a</sup> (tpy)	SOx (tpy)	PM <sub>10</sub> (tpy)	CO (tpy)	VO <sup>a</sup> (tpy)
S-1326-405-0	S-1112303	2.98	1.06	1.12 <sup>b</sup>	2.755	2.05
S-1326-406-0	S-1112303	2.98	1.06	1.12 <sup>b</sup>	2.755	2.05
S-1326-407-0	S-1112303	2.98	1.06	1.12 <sup>b</sup>	2.755	2.05
S-1326-417-0	S-1120405	2.98	1.06	1.12 <sup>c</sup>	6.89	2.05
S-1326-418-0	S-1120405	2.98	1.06	1.12 <sup>c</sup>	6.89	2.05
S-1326-419-0	S-1120405	2.98	1.06	1.12 <sup>c</sup>	6.89	2.05
S-1326-420-0	S-1123499	2.98	1.06	1.12 <sup>a</sup>	6.70	2.05
S-1326-421-0	S-1123499	2.98	1.06	1.12 <sup>a</sup>	6.70	2.05
S-1326-422-0	S-1123499	2.98	1.06	1.12 <sup>a</sup>	6.70	2.05
S-1326-423-0	S-1123499	2.98	1.06	1.12 <sup>a</sup>	6.70	2.05
S-1326-424-0	S-1123499	2.98	1.06	1.12 <sup>a</sup>	6.70	2.05
S-1326-425-0	S-1123499	2.98	1.06	1.12 <sup>a</sup>	6.70	2.05
Project Stational Emissions	ry Source	35.76	12.73	13.40	69.14	24.57
Significance Thresholds		10.00	27.00	15.00	100.00	10.00
Exceeds Significance Thresholds		Yes	No	No	No	Yes
Offsets Required	35.76 <sup>d</sup>	0	13.40 <sup>d</sup>	0	24.57 <sup>d</sup>	
Total Offsets Su (ERCs)	rrendered	53.61	0	19.25	0	36.86

Offset requirements were calculated at a ratio of 1.5 to 1.

b Offset requirements were calculated at a ratio of 1.3 to 1.

<sup>&</sup>lt;sup>c</sup> Offset requirements were calculated were calculated with two ERC at different ratios; 1.5 to 1 and 1.2 to 1.

<sup>&</sup>lt;sup>d</sup> The facility exceeds offset thresholds prior to project implementation; therefore, emissions must be fully offset.



VPC is a major stationary source with a Title V permit and, therefore, required to offset, in the form of ERCs, project related increases in stationary source emissions. NOx,  $PM_{10}$ , and VOC offset requirements were calculated at various offset ratios, ranging from 1.2:1 to 1.5:1, dependent upon the availability of ERCs. As indicated in Table 4 above, VPC will be required to surrender ERCs to offset operational emissions by an estimated 53.61 tons of NOx, 19.25 tons of  $PM_{10}$ , and 36.86 tons of VOC.

The District concludes that through a combination of project design features and permit conditions, project related operational emissions will have a less than significant impact on air quality.

#### Air Quality Plans

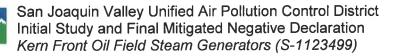
As summarized in Table 3, Phase 3 project related construction emissions are below the District's thresholds of significance. As summarized in Table 4 operational stationary source emissions will be mitigated to below the District's thresholds by surrendering ERCs. The ERCs must be surrendered to the District prior to the commencement of operation of the equipment proposed under the ATC. As such, the project does not conflict with the implementation strategy of the San Joaquin Valley Regional Air Quality Management Plans (2008 PM 2.5 Plan; 2007 8-Hour Ozone Plan; 2007 PM<sub>10</sub> Maintenance Plan; 2006 PM<sub>10</sub> SIP; 2004 1-Hour Ozone SIP; 2003 PM<sub>10</sub> SIP). Therefore, no further mitigation measures are required.

#### Air Quality Standards

Determination of whether project emissions would violate any AAQS is largely a function of air quality dispersion modeling. If project emissions would not exceed state and federal AAQS at the project's property boundaries, the project would be considered to not violate any air quality standard or contribute substantially to an existing or projected air quality violation. The District performed an emissions modeling analysis to determine whether project related criteria pollutant emissions have the potential to contribute to the possible violation of existing air quality standards. The analysis indicates that project related criteria pollutant emissions of NO<sub>X</sub>. SO<sub>X</sub>, PM<sub>10</sub>, and PM<sub>2.5</sub>, and CO will not exceed the EPA significance level. Therefore, the project is not expected to cause or make worse a violation of an air quality standard.

# **Cumulative Impacts**

By its very nature, air pollution is largely a cumulative impact. The nonattainment status of regional pollutants is a result of past and present development. Future attainment of state and federal AAQS is a function of successful implementation of the District's attainment plans. Consequently, the District's application of thresholds of significance for criteria pollutants is relevant to the determination of whether a project's individual emissions would have a cumulatively significant impact on air quality. If a project's emissions is less than the thresholds of significance for criteria pollutants the project would not be expected to result in a cumulatively considerable net increase of any



criteria pollutant for which the District is in non-attainment under the applicable federal or state AAQS. As discussed above, project emissions are below the District's thresholds of significance for criteria pollutant emissions. Therefore, project related emissions would have a less than significant impact on air quality.

# Mitigation: See below.

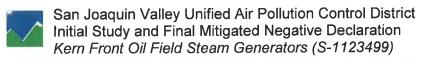
Project related NOx, PM<sub>10</sub>, and VOC emissions of Phases 1 and 2 have been fully offset through permit conditions requiring the surrender of ERCs. To ensure impacts from Phase 3 are fully mitigated, the applicant will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. The following conditions will be included in the ATC:

- AIR-1 Prior to operating equipment under this Authority to Construct, Permittee shall surrender NO<sub>X</sub> emission reduction credits for the following quantity of emissions: 1st quarter 2,234 lb, 2nd quarter 2,234 lb, 3rd quarter 2,234 lb, and fourth quarter 2,234 lb. [District Rule 2201 and Public Resources Code 21000-21177: California Environmental Quality Act]
- AIR-2 Prior to operating equipment under this Authority to Construct, Permittee shall surrender SO<sub>X</sub> emission reduction credits for the following quantity of emissions: 1st quarter – 838 lb, 2nd quarter - 838 lb, 3rd quarter - 838 lb, and fourth quarter – 838 lb. [District Rule 2201 and Public Resources Code 21000-21177: California Environmental Quality Act]
- AIR-3 Prior to operating equipment under this Authority to Construct, Permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter 1,536 lb, 2nd quarter 1,536 lb, 3rd quarter 1,536 lb, and fourth quarter 1,536 lb. [District Rule 2201 and Public Resources Code 21000-21177: California Environmental Quality Act]

#### Health Risk Impacts (d)

**Conclusion:** The project would not expose sensitive receptors to substantial pollutant concentrations.

**Discussion:** Under the Clean Air Act, toxic air contaminants (TACs) are airborne pollutants that may be expected to result in an increase in mortality or serious illness or which may pose a present or potential hazard to human health. Potential health impacts from TACs include long-term health effects such as cancer, birth defects, neurological damage, or genetic damage; or short-term effects such as eye watering, respiratory irritation, throat pain and headaches. TACs may also be referred to as hazardous air pollutants (HAPs). There are currently more than 900 substances classified by the US EPA and California Air Resources Board (ARB) as TACs. Air Quality problems occur when sources of TACs and sensitive receptors are located in proximity to one another.



TACs can be separated into carcinogens and non-carcinogens based on the nature of the physiological degradation associated with exposure to the pollutant. For regulatory purposes, carcinogens are assumed to have no safe threshold below which health impacts would not occur. Cancer risk is expressed as excess cancer cases per one million exposed individuals.

Non-carcinogens differ in that there is generally assumed to be a safe level of exposure below which no negative health impact would occur. These levels are determined on a pollutant-by-pollutant basis. Acute and chronic exposure to non-carcinogens is expressed by using a Hazard Index, which is the ratio of expected exposure levels to acceptable health-acceptable exposure levels.

The Air Toxics "Hot Spots" Information and Assessment Act (AB 2588, 1987, Connelly) was enacted in 1987, and requires stationary sources to report the type and quantities of certain substances routinely released into the air. The goals of AB 2588 are to collect emission data, to identify facilities having localized impacts, to ascertain risks to acceptable levels. AB 2588 requires air districts to establish the prioritization score threshold at which facilities are required to prepare a health risk assessment (HRA). In establishing priorities, an air district must consider potency, toxicity, quantity, and volume of hazardous materials released from the facility, the proximity of the facility to potential receptors, and any other factors that the district determines may indicate that the facility may pose a significant risk.

In implementing its responsibilities under AB 2588, the District Governing Board adopted notification procedures, including prioritization score thresholds, for notifying the public of significant carcinogenic and non-carcinogenic health risks. The District concludes that use of the existing prioritization score thresholds to establish thresholds of significance under CCR §15064.7 is an appropriate and effective means of promoting consistency in significance determinations within the environmental review process. The District's thresholds of significance for determining whether project emissions would expose sensitive receptors to substantial pollutant concentrations are:

- Carcinogens: Probability of contracting cancer for the Maximally Exposed Individual (MEI) exceeds ten (10) in one million.
- Non-Carcinogens: Ground Level concentrations of non-carcinogenic TACs would result in a Hazard Index greater than one (1) for the MEI.

An HRA is not required for a project with a prioritization score of less than one (1).

Potentially hazardous materials are not expected to be associated with the steam generator sites. The District performed a Risk Management Review (RMR) analysis to determine possible health impacts from the project's permitted stationary source emissions on the nearest sensitive receptors. The RMR demonstrates that the highest prioritization score for any one generator is less than one (1) and the project facility total



score is less than one. The project's acute and chronic hazard indices are both below 1.0 and the cancer exposure risk for the facility is less than ten (10) in a million. Therefore, no further analysis is required and the project is approved without Toxic Best Available Control Technology (T-BACT). The District concludes that there is no substantial evidence of record to support a conclusion that the project would expose sensitive receptors to significant health risks.

Mitigation: None required.

# Odor Impacts (e)

**Conclusion:** The project would not create objectionable odor affecting a substantial number of people.

**Discussion:** While offensive odors rarely cause any physical harm, they can be very unpleasant, leading to considerable distress among the public and often generating citizen complaints to local governments and the District. Any project with the potential to frequently expose members of the public to objectionable odors should be deemed to have a significant impact. Due to the subjective nature of odor impacts, the number of variables that can influence the potential for an odor impact, and the variety of odor sources, there is no quantitative or formulaic methodologies to determine if potential odors would have a significant impact. Rather, projects must be assessed on a case-by-case basis.

Diesel exhaust from construction activities may generate odors. However, construction emissions are temporary in nature and, due to the distance from the nearest sensitive receptor (approximately 2,400 feet) the project is not expected to affect a substantial number of people.

The District's *Guide for Assessing and Mitigating Air Quality Impacts* (GAMAQI) defines a significant odor impact as either more than one (1) confirmed complaint per year averaged over a three year period or two (2) unconfirmed complaints per year averaged over a three year period. A review of the District's compliance complaint database revealed that there have been no odor complaints received against VPC's operations in the Kern Front Oilfield. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would create objectionable odors affecting a substantial number of people.

Mitigation: None required.

# References

California Air Resources Board. *AB 2588 Air Toxics "Hot Spots" Program.* Website: http://www.arb.ca.gov/ab2588/ab2588.htm.

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

San Joaquin Valley Unified Air Pollution Control District. June 2011. *Authority to Construct: Application Review,* Applicant No. S-1326, Project No. S-1112303. Available at San Joaquin Valley Air Pollution Control District. 34946 Flyover Court, Bakersfield, CA 93308-9725.

San Joaquin Valley Unified Air Pollution Control District. February 2012. *Authority to Construct: Application Review*, Applicant No. S-1326, Project No. S-11120405. Available at San Joaquin Valley Air Pollution Control District. 34946 Flyover Court, Bakersfield, CA 93308-9725.

San Joaquin Valley Unified Air Pollution Control District. February 2013. *Authority to Construct: Application Review,* Applicant No. S-1326, Project No. S-1123499. Available at San Joaquin Valley Air Pollution Control District. 34946 Flyover Court, Bakersfield, CA 93308-9725.

San Joaquin Valley Unified Air Pollution Control District. January 2002. *Guide for Assessing and Mitigation Air Quality Impacts*. Website: http://www.valleyair.org/transportation/CEQA%20Rules/GAMAQI%20Jan%202002%20 Rev.pdf.

San Joaquin Valley Unified Air Pollution Control District. October 2012. *Risk Management Review* Applicant No. S-1326, Project No. S-1123499. Available at San Joaquin Valley Air Pollution Control District. 1990 East Gettysburg Avenue, Fresno, CA 93726.

IV. Would	Biological Resources	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?		X		
b)	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?			x	

IV. Would	Biological Resources d the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
c)	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?			x	
d)	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			x	
e)	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f)	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?			x	

#### IV. BIOLOGICAL RESOURCES

## Candidate, Sensitive and Special Status Species (a)

**Conclusion:** The project, with incorporation of mitigation measures, will have a less than significant impact on candidate, sensitive, or special status species.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses.

VPC implements a Biological Awareness training program for its Health, Environment, and Safety staff and selected contractor representatives, along with consulting with qualified biological contractors. In any event that further investigation is necessary, VPC complies with all U.S. Fish and Wildlife Service (USFWS) and California Department of Fish and Wildlife (CDFW) recommendations for assessment, analysis, and protection of biological resources. VPC has precautionary measures in place to avoid "take" of threatened and endangered species on VPC property or due to activities undertaken by VPC. According to the Federal Endangered Species Act (ESA) the term "take" means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect,

or to attempt to engage in any such conduct of endangered species. "Take" includes the modification or degradation of habitat that could result in death or injury to listed species through the interference of behavioral patterns of those species. According to the California ESA the term "take" means to hunt, pursue, catch, capture, or kill or the attempt to hunt, pursue, catch, capture, or kill endangered species. VPC's precautionary measures include the requirement of a biological survey to determine the presence or absence of candidate, sensitive, and special status species identified prior to all ground-disturbing activities.

VPC retained Robert A. Booher Consulting (RAB Consulting) to perform a Reconnaissance-Level Biological Survey of the project sites and a 500 foot buffer area around each site. Prior to conducting the survey, RAB Consulting queried the California Natural Diversity Database (CNDDB 2012) to identify historical observations of threatened and endangered animal and plant species in the vicinity of the project. The database identified the following listed animal and plant species: San Joaquin kit fox, Blunt-nosed leopard lizard, western burrowing owl, San Joaquin pocket mouse, and the Bakersfield Cactus. No observations were recorded within 0.5 mile of the proposed sites and no observations have been recorded since 2009. RAB Consulting conducted a Reconnaissance-Level Biological Survey on December 3 and 4, 2012, (see Appendix F). The survey was conducted to identify special status species or any sign of species, including nests, dens, burrows, scats, tracks, and prey remains. The results of the survey demonstrate that sensitive wildlife species or their signs of their presence were not observed during the time of the survey and that sensitive plant species are not present within the project area.

Based on the time since previously reported observations and the lack of observations in the project area during the survey it is reasonable to conclude that the project would not result in direct impacts to threatened or endangered species. However, because a Reconnaissance-Level Biological Survey was conducted, not a formal survey utilizing agency approved methodologies, the following mitigation measures are incorporated to reduce potential impacts on biological species. Therefore, the District concludes that with mitigation measures and VPC standard precautionary measures in place, the project would have a less than significant adverse impact on biological species.

# Mitigation: See below.

To ensure the project would not have a significant impact on candidate, sensitive and special status species, the following conditions will be included in the ATC:

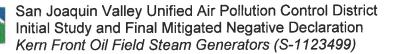
BIO-1 – A Qualified Biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the U.S. Fish and Wildlife Service (USFWS) and California Department of Fish and Wildlife (CDFW). If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Qualified Biologist within 30 days prior to the onset of ground

disturbance. Permittee shall make all biological surveys available to District staff upon request. [Public Resources Code 21000-21177: California Environmental Quality Act]

• BIO-2 – During construction activities, standardized avoidance measures shall be implemented to preclude take of special status species. If standardized avoidance measures cannot be achieved Permittee will consult with the California Department of Fish and Wildlife (CDFW) and U.S. Fish and Wildlife Service (USFWS) to develop alternative compliance measures and/or obtain an Incidental Take Permit. If standardized avoidance measures fail and there is a take of a threatened or endangered species Permittee will notify USFWS, CDFW, and District immediately. Permittee shall make available to the District any documentation required by USFWS and CDFW. [Public Resources Code 21000-21177: California Environmental Quality Act]

To ensure compliance with existing USFWS standard recommendations for protection of the San Joaquin kit fox, the following conditions will be included in the ATC:

- BIO-3 Project-related vehicles should observe a daytime speed limit of 20-mph throughout the site in all project areas, except on county roads and State and Federal highways. In the event that construction activities should occur during night time, a 10-mph speed limit shall be observed from dusk until dawn. Off-road traffic outside of designated project areas should be prohibited. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-4 During construction activities, all excavated, steep-walled holes or trenches more than two (2) feet deep shall be covered at the close of each working day by plywood or similar materials. If the holes or trenches cannot be closed, one or more escape ramps constructed of earthen-fill or wooden planks shall be installed. Before such holes or trenches are filled, they shall be thoroughly inspected for trapped animals. If at any time a trapped or injured kit fox is discovered, the U.S. Fish and Wildlife Service (USFWS) and the California Department of Fish and Wildlife (CDFW) shall be contacted as noted in Measure BIO-15. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-5 All construction pipes, culverts, or similar structures with a diameter of four (4) inches or greater that are stored at a construction site for one (1) or more overnight periods should be thoroughly inspected for kit foxes before the pipe is subsequently buried, capped, or otherwise used or moved in any way. If a kit fox is discovered inside a pipe, that section of pipe should not be moved until the U.S. Fish and Wildlife Service (USFWS) has been consulted. If necessary, and under the direct supervision of the biologist, the pipe may be moved only once to remove it from the path of construction activity, until the fox has escaped. [Public Resources Code 21000-21177: California Environmental Quality Act]



- BIO-6 All food-related trash items such as wrappers, cans, bottles, and food scraps shall be disposed of in securely closed containers and removed at least once a week from the construction sites. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-7 No firearms shall be allowed on the project sites. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-8 No pets, such as dogs or cats, shall be permitted on the project sites. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-9 Use of rodenticides and herbicides in the project sites shall be restricted. If use of these compounds is deemed necessary, Permittee shall observe label and other restrictions mandated by the U.S. Environmental Protection Agency (USEPA), California Department of Food and Agriculture (CDFA), and other State and Federal legislation, as well as additional project-related restrictions deemed necessary by the U.S. Fish and Wildlife Service (USFWS). If rodent control must be conducted, zinc phosphide shall be used. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-10 Permittee shall appoint a representative to be the contact source for any employee or contractor who might inadvertently kill or injure a kit fox or who finds a dead, injured or entrapped kit fox. The representative will be identified during the employee education program and their name and telephone number shall be provided to the U.S. Fish and Wildlife Service (USFWS). [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-11 An employee education program shall be conducted for any project that has anticipated impacts to kit fox or other endangered species. The program should consist of a brief presentation by persons knowledgeable in kit fox biology and legislative protection to explain endangered species concerns to contractors, their employees, and military and/or agency personnel involved in the project. The program should include the following: a description of the San Joaquin kit fox and its habitat needs; a report of the occurrence of kit fox in the project area; an explanation of the status of the species and its protection under the Endangered Species Act; and a list of measures being taken to reduce impacts to the species during project construction and implementation. A fact sheet conveying this information should be prepared for distribution to the previously referenced people and anyone else who may enter the project site. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-12 Upon completion of the project, all areas subject to temporary ground disturbances, including storage and staging areas, temporary roads, pipeline corridors, etc. should be re-contoured if necessary, and revegetated to promote restoration of the area to pre-project conditions. An area subject to "temporary" disturbance means any area that is disturbed during the project, but after project



completion will not be subject to further disturbance and has the potential to be revegetated. Appropriate methods and plant species used to revegetate such areas should be determined on a site-specific basis in consultation with the U.S. Fish and Wildlife Service (USFWS), California Department of Fish and Wildlife (CDFW), and revegetation experts. [Public Resources Code 21000-21177: California Environmental Quality Act]

- BIO-13 In the case of trapped animals, escape ramps or structures shall be installed immediately to allow the animal(s) to escape, or the Service should be contacted for guidance. [Public Resources Code 21000-21177: California Environmental Quality Act]
- BIO-14 Any contractor, employee, or agency personnel who are responsible for inadvertently killing or injuring a San Joaquin kit fox shall immediately report the incident to their representative identified in Measure BIO-10 above. This representative shall contact the California Department of Fish and Wildlife (CDFW) and the U.S. Fish and Wildlife Service (USFWS) immediately in the case of a dead, injured or entrapped kit fox. The CDFW contact for immediate assistance is State Dispatch at (916) 445-0045. They will contact the local warden or, Mr. Paul Hoffman, Wildlife Biologist. Contact information for CDFW and USFWS is provided below in Measure BIO-15:
- BIO-15 The Sacramento Fish and Wildlife Office and California Department of Fish and Wildlife (CDFW) shall be notified in writing within three (3) working days of the accidental death or injury to a San Joaquin kit fox during project related activities. Notification must include the date, time, and location of the incident or of the finding of a dead or injured animal and any other pertinent information. Contact information is provided below.

CDFW: Ms. Reagen O'Leary, Environmental Scientist

1234 E. Shaw Avenue Fresno, CA 93710 Phone: (559) 243-4014

CDFW: Mr. Paul Hoffman, Wildlife Biologist

1701 Nimbus Road, Suite A Rancho Cordova, CA 95670

(530) 934-9309

USFWS: Chief of the Division of Endangered Species

2800 Cottage Way, Suite W2605 Sacramento, CA 95825-1846 (916) 414-6620 or (916) 414-6600.

 BIO-16 – New sightings of kit fox shall be reported to the California Natural Diversity Database (CNDDB). A copy of the reporting form and a topographic ·/

map clearly marked with the location of where the kit fox was observed should also be provided to the U.S. Fish and Wildlife Service (USFWS) at the following address: Endangered Species Division, 2800 Cottage Way, Suite W2605, Sacramento, CA 95825-1846. [Public Resources Code 21000-21177: California Environmental Quality Act]

# Riparian Habitats, Sensitive Natural Communities and Wetlands (b, c)

**Conclusion:** The project will have a less than significant impact on riparian habitats, sensitive natural communities or federally protected wetlands.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The project site is not part of any riparian habitat or other sensitive natural community as identified by the USFWS or CDFW. There are no waters on the project site subject to Section 404 of the Clean Water Act. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would have an impact on riparian habitats, sensitive natural communities or wetlands.

Mitigation: None required.

# **Migratory Corridors (d)**

Conclusion: The project will have a less than significant impact on migratory corridors.

Discussion: The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. RAB Consulting conducted a Reconnaissance-Level Biological Survey on December 3 and 4, 2012, (see Appendix F). The results of the survey demonstrate that sensitive wildlife species or their signs of their presence were not observed during the time of the survey. Furthermore, there is no substantial wildlife migration through the project sites due to the existence of major impediments, including James Road located to the south, Oilfield Road and Highway 65 located to the west, and Granite Road located east of the project site. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would have an impact on the migratory corridors and the movement of threatened and endangered species.

Mitigation: None required.

#### Policies, Ordinances and Conservation Plans (e-f)

**Conclusion:** The project will not conflict with local policies or ordinances protecting biological resources or any provision of adopted federal, state, regional, or local conservation plans.

**Discussion:** Kern County has prepared two (2) conservation plans designed to protect biological resources in the project area. Collectively, the Draft Valley Floor Habitat Conservation Plan (VFHCP) and the adopted Metropolitan Bakersfield Habitat Conservation Plan (MBHCP) address impacts on biological resources throughout the majority of Kern County.

The Draft VFHCP identifies three (3) zones representing the importance of conservation in that area. Red zones represent habitat areas with high importance for conservation of the VFHCP covered species. Green zones are habitat areas of moderate importance. White zones are habitat areas of limited importance due to intensive land uses, such as cultivated agriculture. As the plan has not yet been adopted, projects within the VFHCP are not required to pay mitigation fees and must comply with all requirements deemed necessary by CDFW and USFWS. Project Site 1 is located within the VFHCP in a Productive Oil Area designated as Green Zone. Although the VFHCP has not currently been adopted, the project does not propose actions or plans which would conflict with those considered in the Draft VFHCP.

The MBHCP addresses impacts on biological species resulting from urban development of incorporated and unincorporated areas of the Bakersfield Metropolitan General Plan Area. The MBHCP requires applicants to pay mitigation fees for grading or building permits to fund habitat land to compensate for potential impacts. Project Site 2 is designated as an Oil Zone within the MBHCP. However, oil and gas production activities are not addressed in the MBHCP and, as verified with the Kern County Planning Department, mitigation fees will not be required to offset impacts on biological resources.

The project is not located within the boundaries of a Natural Community Conservation Plans (NCCP) or any other USFWS designated critical habitat. Through compliance with VPC's environmental policies, practices and avoidance measures, no take of endangered species are expected to occur during project implementation. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the construction and operation of the project would conflict with local policies or ordinances, or any provision of adopted federal, state, regional, or local conservation plans protecting biological resources.

**Mitigation:** See Mitigation Measures BIO-1 through BIO-16.

#### References

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California Department of Fish and Wildlife. *California Endangered Species Act (CESA)*. Website: http://www.dfg.ca.gov/habcon/cesa/incidental/cesa\_policy\_law.html

California Department of Fish and Wildlife. Conservation and Mitigation Banks in California Approved by the Department of Fish and Game. Website: http://www.dfg.ca.gov/habcon/conplan/mitbank/catalogue/catalogue.html

California Department of Fish and Wildlife. *Natural Community Conservation Planning*. Website: http://www.dfg.ca.gov/habcon/nccp/.

County of Kern. *Engineering, Surveying and Permit Services. Website:* http://esps.kerndsa.com/gis.

County of Kern. *Metro Bakersfield Habitat Conservation Plan. Website:* http://pcd.kerndsa.com/faq/metropolitan-bakersfield-habitat-conservation-plan.

County of Kern. Valley Floor Habitat Conservation Plan. Website: http://www.co.kern.ca.us/planning/pdfs/vfhcp\_dec06.pdf

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United States Fish and Wildlife Service. *Endangered Species: Glossary.* Website: http://www.fws.gov/midwest/endangered/glossary/index.html

United States Fish and Wildlife Service. *Habitat Conservation Plans*. Website: http://www.fws.gov/endangered/what-we-do/hcp-overview.html

United States Fish and Wildlife Service. FWS Critical Habitat for Threatened & Endangered Species – Critical Habitat Portal. Website: http://criticalhabitat.fws.gov/crithab/

United States Fish and Wildlife Service. Survey Protocols and Other Guidelines. Website: http://www.fws.gov/sacramento/es/Survey-Protocols-Guidelines/es\_survey.htm

V. Cultural Resources  Would the Project:		Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?				X
b)	Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?			X	
c)	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			Х	
d)	Disturb any human remains, including those interred outside of formal cemeteries?			X	

#### V. CULTURAL RESOURCES

# <u>Historical Resources (a)</u>

Conclusion: The project will not have an impact on historical resources.

**Discussion:** The project is within the existing boundaries of the Kern Front Oilfield. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. A query of state and federal registers indicated that there are no registered historic resources within the project site. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would have an impact on historical resources.

Mitigation: None needed.

# Archaeological and Paleontological Resources and Human Remains (b, c, d)

**Conclusion:** The project will have a less than significant impact on archaeological and paleontological resources and human remains.

**Discussion:** The project is within the existing boundaries of the Kern Front Oilfield. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. Human remains are not known to exist within the project site. Although there is a possibility of archaeological and/or paleontological resources being uncovered during construction activities at sites that have been previously developed, the area being disturbed is small. Prior to developing a specific location, the location will be reviewed to determine if there are any potentially impacted archaeological and/or paleontological resources such as abandoned structures, grave sites, or fossil beds. Standard protocol in compliance with existing regulations would require that, in the event that archaeological and/or paleontological



resources, including human remains, are discovered during surface surveys, digging, scraping, or other construction activities, all work within 100 feet be ceased until the significance and extent of the find can be recovered by a qualified archaeologist and/or paleontologist for study. Mitigation measures have been incorporated into the project to minimize impacts on archaeological and paleontological resources. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would have a significant impact on archaeological or paleontological resources.

Mitigation: See below.

To ensure the project would not have a significant impact on archaeological/paleontological resources the following condition will be included in the ATC:

CUL-1 – In the event that archaeological/paleontological resources are discovered during ground-disturbing activities, all work within 100 feet of the find Permittee shall notify and cease and retain archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. A qualified archaeologist/paleontologist shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Merced County and the Native American Heritage Commission (NAHC). In addition, should archaeological/paleontological resources be discovered, Permittee shall provide the District a written report in relation to the nature of the find. [Public Resources Code 21000-21177: California Environmental Quality Act]

To ensure compliance with existing Native American Heritage Commission (NAHC) requirements, the following condition will be included in the ATC:

• CUL-2 – In the event that human remains are discovered during ground-disturbing activities, all work within 100 feet of the find shall cease and the discovery shall immediately be reported to the County Coroner (CC) and Native American Heritage Commission (NAHC) for further assessment. Permittee shall identify appropriate measures for treatment or disposition of the remains in consultation with the CC and NAHC. In addition, should human remains be discovered during ground-disturbing activities, Permittee shall provide the District a written report in relation to the nature of the find. [Public Resources Code 21000-21177: California Environmental Quality Act]

#### References

CERES. State Historical Landmarks. Website: http://ceres.ca.gov/geo\_area/counties/lists/landmarks\_county.html.

California Code of Resources §15064.5



California Health and Safety Code §7050.5

California Native American Heritage Commission. *Professional Guide for the Preservation and Protection of Native American Remains and Associated Grave Goods*. Website: http://www.nahc.ca.gov/profguide.html.

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National Register of Historic Places. *State Listings*. Website: http://www.nationalregisterofhistoricplaces.com/ca/state.html.

	eology / Soils  ould the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
	i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
	ii) Strong seismic ground shaking?			Х	
	iii) Seismic-related ground failure, including liquefaction?				X
	iv) Landslides?				X
b)	Result in substantial soil erosion or the loss of topsoil?			X	
c)	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				x
d)	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X



## San Joaquin Valley Unified Air Pollution Control District Initial Study and Final Mitigated Negative Declaration Kern Front Oil Field Steam Generators (S-1123499)

VI. Geology / Soils (continued)  Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				x

#### VI. GEOLOGY/SOILS

## Seismic Activity (a)

**Conclusion:** Potential risks of loss, injury or death resulting from strong seismic activity, unstable or expansive soils, and ground failure are less than significant.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately fifteen (15) square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses, which have historically been used for oil production.

Four (4) major fault systems are located in Kern County. The Buena Vista fault system is located in western Kern County; White Wolf and Kern Front fault systems are located in central Kern County; and the Pleito-Wheeler Ridge fault system is located in south/southwestern Kern County. The project sites are near the Kern Front fault system and are located within the Oildale Quadrangle fault zone as identified in the Alquist-Priolo Earthquake Fault Zoning Map. Minor fault lines exist approximately one (1) mile east and four (4) miles west of the project sites. As such, there is potential for surface rupture and strong ground shaking in the project sites. However, the project consists of the installation and operation of twelve (12) steam generators, which is consistent with current oilfield land uses, and would not place a substantial number of people in the project area. The project is designed in accordance with all building code requirements including those pertaining to excavations, grading, and foundations. Adherence to California Buildings Standards Code (CBSC) requirements and compliance with California seismic design requirements would ensure that the project would not expose persons or property to substantial risk of loss, injury or death resulting from seismic activity.

The project sites are not located within a shallow ground water, liquefaction or landslide hazard area. As such, the project will not be located on unstable or expansive soil. Therefore, the potential risk of loss, injury, or death resulting from liquefaction and landslides due to extensive surface rupture and strong ground shaking is considered to



be minimal. The District concludes that there is no substantial evidence of record to support a conclusion that the project would result in significant risks to life and property as a result of impacts to geologic and soil resources.

Mitigation: None required.

## Geological and Soil Stability (b-e)

**Conclusion:** The project will not result in substantial soil erosion, landslides, lateral spreading, subsidence, liquefaction or collapse due to unstable soils.

Discussion: Although the project sites are located within an existing fault zone, the project is located in an area with stable soils with little potential for ground failure. Kern County has designated the project sites as having no land constraints due to shallow ground water, steep slopes, landslide hazards, or seismic hazards. includes the construction and operation of twelve (12) steam generators and does not include or require the use of septic tanks or wastewater systems. The construction of the steam generators would involve ground-disturbing activities, including pad preparation and installation of piping and electrical systems, which could potentially create erosion. Construction of the steam generators is consistent with the current land use and oilfield operations and will occur in areas that have been previously disturbed by similar activities. The steam generators will be built on soil with ratings of low susceptibility to erosion. Potential impacts to soil erosion will be reduced through compliance with Kern County Planning and Building Department requirements. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would result in substantial soil erosion, landslides, lateral spreading, subsidence, liquefaction or collapse due to unstable soils.

Mitigation: None required.

#### References

California Department of Conservation, California Geological Survey. Fault Parameters-Alquist Priolo Earthquake Fault Zones. Website: http://www.conservation.ca.gov/cgs/rghm/ap/Pages/Index.aspx

California Department of Conservation, California Geological Survey. Seismic Shaking Hazards in California. Website: http://redirect.conservation.ca.gov/cgs/rghm/pshamap/pshamain.html

California Department of Conservation, California Geological Survey. Special Publication 42 Interim Revision 2007: Fault –Rupture Hazard Zones in California. Website: ftp://ftp.consrv.ca.gov/pub/dmg/pubs/sp/Sp42.pdf

County of Kern. *Engineering*, *Surveying and Permit Services*. *Website*: http://esps.kerndsa.com/gis.

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Natural Resources Conservation Service (NRCS) *Web Soil Survey.* Website: http://websoilsurvey.nrcs.usda.gov/app/

United States Geological Survey (USGS). *Earthquake Hazards Program*. Website: http://earthquake.usgs.gov/hazards/.

VII.	Greenhouse Gas Emissions ould the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			x	
b)	Conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			х	

#### VII. GREENHOUSE GAS EMISSIONS

#### Greenhouse Gas Emissions (a, b)

**Conclusion:** Project related greenhouse gas (GHG) emissions will not conflict with any applicable plans or policies to reduce GHG emissions and will have a less than significant impact on global climate change.

**Discussion:** GHGs are gases that absorb and emit radiation within the thermal infrared range, trapping heat in the earth's atmosphere. There are no "attainment" concentration standards established by the Federal or State government for GHGs. In fact, GHGs are not generally thought of as traditional air pollutants because GHGs, and their impacts, are global in nature, while traditional "criteria" air pollutants affect the health of people and other living things at ground level, in the general region of their release to the atmosphere. Some GHGs occur naturally and are emitted into the atmosphere through natural processes. Other GHGs are created and emitted solely through human activities. The principal GHGs that enter the atmosphere because of human activities are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and fluorinated carbons. Additional information on GHG and global climate change can be found in the District staff report titled: *Addressing Greenhouse Gas Emissions Impacts Under the Califomia Environmental Quality Act*.

#### Assembly Bill 32 (AB 32)

Assembly Bill 32 (California Global Warming Solutions Act of 2006) is a key piece of California's effort to reduce its GHG emissions. AB 32 was adopted establishing a cap on statewide greenhouse gas emissions and sets forth the regulatory framework to achieve the corresponding reduction in statewide emissions levels. AB 32 requires the ARB to establish regulations designed to reduce California's GHG emissions to 1990 levels by 2020. In executing its legislative mandate under AB 32, the ARB developed a Scoping Plan that contains the main strategies California will use to reduce GHG from Business-as-Usual (BAU) emissions projected from 2020 levels back down to 1990 levels. BAU is the projected emissions caused by growth, without any GHG reduction measures. ARB determined that a 29% reduction from BAU is necessary to achieve the 1990 GHG emissions level. On December 11, 2008, ARB adopted its AB 32 Scoping Plan, setting forth a framework for future regulatory action on how California will achieve the goal of reducing GHG emissions to 1990 levels.

## Cap & Trade

The AB 32 Scoping Plan identifies a Cap and Trade program as one of the strategies California will employ to reduce the GHG emissions that cause climate change. The Cap and Trade program is implemented by the ARB and caps GHG emissions from the industrial, utility, and transportation fuels sectors – which account for roughly 85% of the state's GHG emissions.

The program works by establishing a hard cap on about 85% of total statewide GHG emissions. The cap starts at expected BAU emissions levels in 2012, and declines 2-3% per year through 2020. Fewer and fewer GHG emissions allowances are available each year, requiring covered sources to reduce their emissions or pay increasingly higher prices for those allowances. The cap level is set in 2020 to ensure California complies with AB 32's emission reduction target of returning to 1990 GHG emission levels.

The scope of GHG emission sources subject to Cap and Trade in the first compliance period (2013-2014), includes:

- All electricity generated and imported into California. The first deliverer of electricity into the state is the capped entity (the one that will have to purchase and surrender allowances).
- Large industrial facilities emitting more than 25,000 metric tons of GHG pollution/year. Examples include oil refineries and cement manufacturers.

The scope of GHG emission sources subject to Cap and Trade during the second compliance period (2015-2017), expands to include distributors of transportation fuels (including gasoline and diesel), natural gas, and other fuels. The regulated entity will be the fuel provider that distributes the fuel upstream (not the gas station). In total, the Cap

and Trade program is expected to include roughly 350 large businesses, representing about 600 facilities. Individuals and small businesses will not be regulated.

Under the program, companies do not have individual or facility-specific reduction requirements. Rather, all companies covered by the regulation are required to turn in allowances in an amount equal to their total greenhouse gas emissions during each phase of the program. The program gives companies the flexibility to either trade allowances with others or take steps to cost-effectively reduce emissions at their own facilities. Companies that emit more will have to turn in more allowances. Companies that can cut their emissions will have to turn in fewer allowances. Furthermore, as the cap declines, total emissions are reduced.

On October 20, 2011, ARB's Board adopted the final Cap and Trade regulation and Resolution 11-32. As part of finalizing the regulation, the Board considered the related environmental analysis and, consistent with CEQA requirements, approved ARB's functionally equivalent document (FED).

#### **CEQA Requirements**

In December, 2009, the California Natural Resources Agency (NRA) amended the CEQA Guidelines to include Global Climate Change, which is now generally accepted by the scientific community to be occurring and caused by GHG emissions. The amendments address analysis and mitigation of the potential effects of GHG emissions in CEQA documents. In their *Final Statement of Reasons for Regulatory Action*, NRA recognizes that the analysis of GHG emissions in a CEQA document presents unique challenges to lead agencies. NRA amended section 15064(h)(3) of the CEQA guidelines to add compliance with plans or regulations for the reduction of GHG emissions to the list of plans and programs that may be considered in a cumulative impacts analysis. In their *Final Statement of Reasons for Regulatory Action*, NRA discusses that AB 32 requires ARB to adopt regulations that achieve the maximum technologically feasible and cost effective GHG reductions to reach the adopted statewide emissions limit. NRA goes on to state that a lead agency may consider whether ARB's GHG reduction regulations satisfy the criteria in existing subdivision (h)(3).

#### District CEQA Policy

CEQA requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. On December 17, 2009, the District adopted the policy "District Policy (APR 2005) – Addressing GHG Emissions Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency" and approved the District's guidance document for use by other agencies when addressing GHG impacts as lead agencies under CEQA. The policy applies to all District permitting projects that have an increase in GHG emissions, regardless of the magnitude of the increase. Under this policy, the District's determination of significance of project-

specific GHG emissions is founded on the principal that projects with GHG emission reductions consistent with AB 32 emission reduction targets are considered to have a less than significant impact on global climate change.

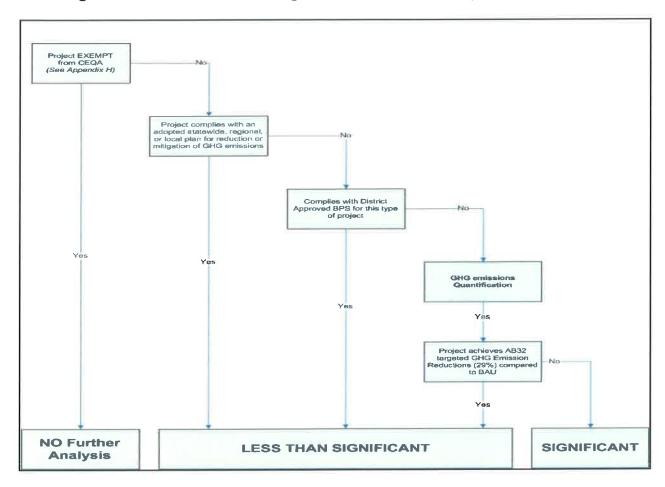
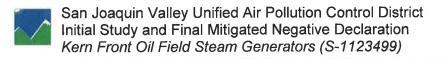


Figure 6: Determination of Significance for Stationary Source Projects

As illustrated in Figure 6, the District's board-adopted policy for determining significance of project-specific GHG emissions employs a tiered approach. Of specific relevance to Cap and Trade is the provision that: "Projects complying with an approved GHG emission reduction plan or GHG mitigation program, which avoids or substantially reduces GHG emissions within the geographic area in which the project is located, would be determined to have a less than significant individual and cumulative impact for GHG emissions. Such plans or programs must be specified in law or approved by the lead agency with jurisdiction over the affected resource and supported by a CEQA compliant environmental review document adopted by the lead agency. Projects complying with an approved GHG emission reduction plan or GHG mitigation program would not be required to implement [best performance standards] BPS." Projects that do not comply with such a plan or program must incorporate BPS or undergo a project-



specific analysis demonstrating that GHG emissions would be reduced by at least 29%, as compared to BAU.

## <u>Determination of Significance of GHG Emissions for Projects Subject to an Approved</u> GHG Emissions Reduction Plan

The NRA amended the CEQA Guidelines to include Global Climate Change and added compliance with plans or regulations to reduce GHG emissions to the list of plans and programs that should be considered in a cumulative impacts analysis. In their *Final Statement of Reasons for Regulatory Action*, NRA discusses that AB32 requires the ARB to adopt regulations that achieve the maximum technologically feasible and cost effective GHG reductions to reach the adopted state-wide emissions limit. NRA goes on to state that a lead agency may consider whether ARB's GHG reduction regulations satisfy the criteria in section 15064(h)(3).

The District's board-adopted policy determines that: "Projects complying with an approved GHG emission reduction plan or GHG mitigation program, which avoids or substantially reduces GHG emissions within the geographic area in which the project is located would be determined to have a less than significant individual and cumulative impact for GHG emissions. Such plans or programs must be specified in law or approved by the lead agency with jurisdiction over the affected resource and supported by a CEQA compliant environmental review document adopted by the lead agency."

AB32, and the AB32 scoping plan adopted by ARB, is a GHG reduction plan for CEQA purposes. It is directly and wholly responsible for meeting the GHG reduction targets of the State of California and is supported by an environmental review process that has been successfully defended in court as equivalent to, and compliant with, CEQA requirements. However, there are some sources of GHG emissions that are discussed in the AB32 scoping plan that are not required to mitigate emissions via implementation of the plan, and some of the plan is devoted to implementing regulations that address existing emissions, and will have only minimal impact on increases in emissions. Since it is these increases that must be addressed under CEQA, the District conducts its own analysis to determine whether compliance with AB32 and its scoping plan are adequate to conclude that a particular GHG emissions increase in less than significant.

# <u>Determination of Significance of GHG Emissions for Projects Subject to ARB's GHG</u> Cap and Trade Regulation

One regulation proposed in the AB32 scoping plan that does address increases in GHG emissions is the Cap and Trade regulation discussed above. Facilities subject to the Cap and Trade regulation are subject to an industry-wide cap on overall GHG emissions, and any growth in emissions must be accounted for under that cap, so that a corresponding and equivalent reduction in emissions must occur to allow any increase. Further, the cap decreases over time, resulting in an overall decrease in GHG emissions. It is therefore reasonable to conclude that facilities subject to and in compliance with ARB's Cap and Trade requirements will not, and in fact, cannot,

contribute significantly towards any global GHG emissions growth. While this inherent mitigation process is not a necessary component of a finding that compliance with a plan for the reduction of greenhouse gas emissions may be considered in a cumulative impacts analysis [(CCR §15064(h)(3)], the fact that all growth in emissions at covered sources is mitigated provides a certainty that compliance with the Cap and Trade program eliminates any potential for significant impacts from those GHG emissions.

#### Determination of Significance of GHG Emissions for Projects Implementing BPS

BPS for stationary source projects is – for a specific class and category source of GHG emissions – the most effective, District approved, achieved-in-practice means of reducing or limiting GHG emissions from that source, which is also economically feasible per the definition of achieved-in-practice. BPS includes equipment type, equipment design, and operational and maintenance practices for the identified service, operation, or emissions unit class and category, and is developed by the District in a public process that considers and addresses input from all interested parties. Consistent with the District's adopted policy for assessing significance of project-specific GHG emission increases when serving as Lead Agency, projects implementing BPS will be determined to have a less than significant impact on global climate change.

#### **Project Details and Significance Determination**

## Compliance with an Approved GHG Emission Reduction Plan

As an independent energy company engaged in the production, development, and exploration of crude oil and natural gas within the State of California, VPC and its facilities are subject to ARB's Cap and Trade regulation. As discussed above, ARB's Cap and Trade regulation is an adopted statewide plan for reducing or mitigating GHG emissions from targeted industries and is supported by an environmental review process that has been successfully defended in court as equivalent to, and compliant with, CEQA requirements.

Consistent with CCR §15064(h)(3), the District finds that compliance with ARB's Cap and Trade regulation would avoid or substantially lessen the impact of project-specific GHG emissions on global climate change. The District therefore concludes that the project would have a less than significant individual and cumulative impact on global climate change.

#### Mitigation of GHG Increases under the Cap and Trade Regulation

As outlined above, facilities subject to the Cap and Trade regulation are subject to an industry-wide cap on overall GHG emissions. As such, any growth in emissions must be accounted for under that cap, such that a corresponding and equivalent reduction in emissions must occur to allow any increase. Therefore, it is reasonable to conclude that implementation of the Cap and Trade program will and must fully mitigate project-specific GHG emissions.

Regardless of, and independent to, the above determination that the project is subject to a state-wide GHG emissions reduction plan, the District finds that, through compliance with the Cap and Trade regulation, project-specific GHG emissions would be fully mitigated. Thus, the District concludes that the project would have a less than significant individual and cumulative impact on global climate change.

## Implementation of BPS

Although not required, since the GHG emissions increases will be fully mitigated as discussed above, VPC has also voluntarily proposed to implement BPS for each class and category of greenhouse gas emissions unit involved in the project (see the District's EE, incorporated herein by reference). The following permit condition will be made a condition of project approval:

 GHG-1 – Steam generator shall be equipped with variable frequency drive electrical motors driving the blower and water pump and a convection section with at least 235 square feet of heat transfer surface area per MMBtu/hr of maximum rated heat input (verified by manufacturer) or a manufacturer's overall thermal efficiency rating of 88%. [Public Resources Code 21000-21177: California Environmental Quality Act]

Therefore, in addition to the determinations above, consistent with the District's adopted policy for assessing significance of project-specific GHG emission increases when serving as Lead Agency, the District also concludes that the project would have a less than significant individual and cumulative impact on global climate change due to its implementation of BPS.

Mitigation: None required.

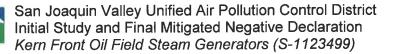
#### References

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

San Joaquin Valley Unified Air Pollution Control District. December 2009. Addressing GHG Emission Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency (APR 2005). Website:

http://www.valleyair.org/policies\_per/policies/apr2005.pdf

San Joaquin Valley Unified Air Pollution Control District. June 2011. *Authority to Construct: Application Review,* Applicant No. S-1326, Project No. S-1112303. Available at San Joaquin Valley Air Pollution Control District. 34946 Flyover Court, Bakersfield, CA 93308-9725.



San Joaquin Valley Unified Air Pollution Control District. February 2012. *Authority to Construct: Application Review,* Applicant No. S-1326, Project No. S-11120405. Available at San Joaquin Valley Air Pollution Control District. 34946 Flyover Court, Bakersfield, CA 93308-9725.

San Joaquin Valley Unified Air Pollution Control District. February 2013. *Authority to Construct: Application Review,* Applicant No. S-1326, Project No. S-1123499. Available at San Joaquin Valley Air Pollution Control District. 34946 Flyover Court, Bakersfield, CA 93308-9725.

San Joaquin Valley Unified Air Pollution Control District. December 2009. Final Draft Staff Report: Addressing Greenhouse Gas Emissions Impacts under the California Environmental Quality Act. Website:

http://www.valleyair.org/Programs/CCAP/CCAP\_idx.htm

	Hazards and Hazardous Materials	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
а)	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b)	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			x	
c)	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				x
d)	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				x
e)	For a Project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project result in a safety hazard for people residing or working in the Project area?				x
f)	For a Project within the vicinity of a private airstrip, would the Project result in a safety hazard for people residing or working in the Project area?				X

g)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	x	
h)	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	x	

#### VIII. HAZARDS & HAZARDOUS MATERIALS

## Hazardous Materials and Exposure to the Public (a-d)

**Conclusion:** The project will not expose the public to hazardous materials, and impacts are less than significant.

Discussion: The project is located on property currently occupied by VPC, within the existing Kern Front Oilfield boundaries as designated by DOGGR. The project sites are consistent with current land use which has historically been used for oil production. The areas immediately surrounding the project sites are zoned Limited Agriculture (Zone A-1) and Natural Resources (NR-5) and are currently developed with oil field production. The project is not located on a site which meets this definition of Government Code Section 65962.5, which requires specific hazardous waste facilities to submit required information to the Department of Toxic Substances Control (DTSC). Human receptors nearest the project are located at distances sufficient to reduce potential impacts from hazardous materials. The nearest business and residential receptors to Project Site 1 are located approximately 3,700 feet (0.70 miles) northeast and 7,900 feet (1.50 miles) southeast of the site, respectively. The nearest business and residential receptors to Project Site 2 are located approximately 2,400 feet (0.45 miles) southwest and 5,500 feet (1.04 miles) southeast of the site, respectively. The nearest schools, Highland Elementary School and North High School are located approximately three (3) miles south of Project Site 2 in the unincorporated community of Oildale.

Potentially hazardous materials are not expected to be associated with the steam generator sites at this time. However, in the event that hazardous materials are needed or result from the operations of the steam generators, the materials and waste will be transported in placarded vehicles in packaging or containers as required by CFR Title 49. The District has conducted a risk screening analysis indicating that the operation of the steam generators would not pose a significant risk to the public. Therefore, the risk of exposure from the transport, use, and disposal of hazardous materials is minimal.

Development of the project consistent with DOGGR's Well Review Program (WRP) will further minimize potential hazards to the public, VPC's employees and contractors, and the environment. DOGGR's WRP is available to developers to assist them in identifying potentially dangerous impacts resulting from construction operations near existing and

abandoned oil and natural gas wells and the measures necessary to reduce those impacts. VPC is familiar with this program and prior to construction will implement the elements pertinent to this project. VPC will obtain permits as needed for abandonment, reabandonment or modifications to the wells. Mitigation measures, consistent with DOGGR's recommendations in the Well Review Program, have been incorporated into the project to ensure the development would have no impacts resulting from abandoned wells.

Compliance with existing safety standards in the construction and long-term operation of the steam generators will minimize any potential hazard to the public, VPC's employees and contractors, and the environment. Occupational safety standards exist in Federal and State laws to minimize worker safety risks from both physical and chemical hazards in the workplace. The California Department of Industrial Relations Division of Occupational Safety and Health (Cal/OSHA) is responsible for developing and enforcing safety standards and assuring worker safety in the handling and use of hazardous materials. Among other requirements, Cal/OSHA obligates many businesses to prepare Injury and Illness Prevention Plans and Chemical Hygiene Plans. The Hazard Communication Standard requires that workers be informed of the hazards associated with the materials they handle, if need be. Therefore, impacts resulting from the accidental release of hazardous materials are expected to be less than significant.

The District concludes that there is no substantial evidence of record to support a conclusion that the transportation, use, or disposal of hazardous materials would pose a hazard to the public.

Mitigation: See below.

To ensure compliance with DOGGR's WRP the following conditions will be included in the ATC:

- HAZ-1 Prior to ground disturbance activities, Permittee shall provide the District documentation identifying all wells in the vicinity of the project site have been submitted to Division of Oil, Gas, and Geothermal Resources (DOGGR) for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
- HAZ-2 Permittee shall retain written records on-site and notify DOGGR in the event unknown, unrecorded, abandoned or damaged wells are discovered. [Public Resources Code 21000-21177: California Environmental Quality Act]
- HAZ-3 Any wells discovered or exposed during construction activities will be tested for flammable vapors. Permittee shall retain these records onsite and the records shall be made available to the District upon inspection. [Public Resources Code 21000-21177: California Environmental Quality Act]

To ensure compliance with DTSC requirements the following condition will be included in the ATC:

 HAZ-4 – Permittee shall comply with all applicable Department of Toxic Substances Control (DTSC) regulations and, if necessary submit all necessary biennial hazardous waste reports for the use, discharge, and transport of potentially hazardous materials. In addition, Permittee shall retain these records onsite and the records shall be made available to the District upon inspection. [Public Resources Code 21000-21177: California Environmental Quality Act]

## Airports and Airstrips (e, f)

**Conclusion:** The project is not located near active airports or airstrips; therefore, the project will not have an impact on the safety of people residing or working in the project area.

**Discussion:** The project is located on property currently occupied by VPC, within the existing Kern Front Oilfield boundaries as designated by DOGGR. The project site is consistent with current land use which has historically been used for oil production. The project site is not within two (2) miles of a private airport, public airport or public use airport. The nearest private airport is Majors Airport (6CL0) and is located approximately four and a half (4.5) miles northwest of the Project Site 1. The nearest public airport is the Meadows Field Airport (BFL), located approximately two and a half (2.5) miles southwest of Project Site 2. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the location of the project near airports or airstrips would pose a risk to people residing or working in or near the project area.

Mitigation: None required.

# Emergency Response and Fire Hazards (g, h)

**Conclusion:** The project will not interfere with emergency response or evacuation plans; nor will it expose people or structures to risks from wildland fires.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The project area is serviced by the Kern County Sheriff Department for police protection services. The nearest sheriff station to the project site is located on Norris Road, approximately three and a half (3.5) miles south of Project Site 2.

The project area is located within a State Responsible Area (SRA). In most cases SRA is protected by the California Department of Forestry and Fire Prevention (CAL FIRE).

However, Kern County is a Contract County with CAL FIRE and the SRA is serviced by the Kern County Fire Department for fire protection services. No wildlands are within close proximity of the project. Although there is potential for occasional brush fires within the Kern Front oilfield, the project is located in an area designated by CAL FIRE as a Moderate Fire Hazard Severity Zones. Kern County Fire Department has two (2) fire stations (Stations 62 and 63) within three (3) miles of Project Site 2.

The project is consistent with current land use which has historically been used for oil production. The nearest receptors are located approximately 3,700 feet (0.70 miles) northeast of Project Site 1 and 2,400 feet (0.45 miles) southwest of Project Site 2 and the nearest community, Oildale, is approximately five (5) miles south of the project sites. The project would not require any physical alterations to existing public roadways that would impair or interfere with emergency response or evacuation. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would interfere with emergency response or expose people or structures to risks from fires.

Mitigation: None required.

## References

California Department of Forestry and Fire Protection. *Fire Hazard Severity Zones Map*. Website: http://www.fire.ca.gov/fire\_prevention/fire\_prevention\_wildland\_zones.php

California Department of Forestry and Fire Protection. *Cooperative Efforts*. Website: http://www.fire.ca.gov/fire\_protection/fire\_protection\_coop\_efforts\_contractcounties.php

California Department of Toxic Substances Control. *DTSC's Hazardous Waste and Substances Site List - Site Cleanup (Cortese List)*. Website: http://www.dtsc.ca.gov/SiteCleanup/Cortese\_List.cfm

California Department of Toxic Substances Control. *Envirostor*. Website: http://www.envirostor.dtsc.ca.gov/public/

California Environmental Protection Agency. *Cortese List: Section 65962.5(a).* Website: http://www.calepa.ca.gov/sitecleanup/corteselist/SectionA.htm

County of Kern. *Engineering*, *Surveying and Permit Services. Website:* http://esps.kerndsa.com/gis.

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

Google Earth. September, 2012.

Kern County Public and Private Airports. January 2013. Website: http://www.tollfreeairline.com/california/kern.htm

	drology / Water Quality	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Violate any water quality standards or waste discharge requirements?			X	
b)	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?			X	
c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner, which would result in substantial erosion or siltation on- or off-site?				x
d)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				x
e)	Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?			x	
f)	Otherwise substantially degrade water quality?			Х	
g	Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h)	Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				Х
i)	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				х
j)	Inundation by seiche, tsunami, or mudflow				X

#### IX. HYDROLOGY / WATER QUALITY

## Water Quality, Waste Discharge, and Groundwater Supplies (a, b, e, f)

**Conclusion:** The project will not violate any water quality standards or waste discharge requirements and will not substantially deplete or degrade groundwater supplies or interfere with groundwater recharge; therefore, impacts are less than significant.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses.

The proposed steam generators will be sited in areas where there will be minimal "new" disturbance of soil, native vegetation, and habitat. Soil will be compacted and/or excavated and replaced with better-compacted soil to ensure adequate footing for new steam generator foundations. Approximately twelve (12) acres of soil is expected to be disturbed in connection with the construction. All of the surface area disturbed by construction is to remain as part of the plant site after construction is complete. Temporary equipment staging areas will become part of the plant site and/or be set aside for employee and visitor vehicle parking.

The steam generators will provide steam for TEOR well operations within the Kern Front Oil Field. The DOGGR's Well Review Program (WRP) requires consistency with the Underground Injection Control (UIC) regulations of the Safe Drinking Water Act and with the Basin Water Quality Control Plan adopted by the RWQCB for the Central Valley Region. The WRP, which covers each discrete cyclic steam oil well and each brine injection well, ensures that the project will not have a significant impact on existing water resources. Water produced by wells will be recycled to the extent possible (i.e. reinjected into the producing formation) and the excess discharged to Valley Waste under existing industrial discharge permits. Wastes will not be discharged to land; therefore, the project will not result in a violation of water quality standards or waste discharge requirements.

The project does not utilize groundwater recharge. DOGGR regulations require well construction to seal from encroachment any aquifers that may exist in or beneath the project area. Make-up water will be pumped from the Tulare Formation for use in the steam generators. The water from the Tulare Formation is of poor quality due to high total dissolved solids (TDS) and the quantity of water required is not anticipated to create a significant shortfall for existing uses. Therefore, the increase in groundwater usage from the Tulare Formation is not substantial and would have a less than significant impact on groundwater supply.

Potentially hazardous materials are not expected to be associated with the steam generator sites. Precipitation at the project sites is rarely sufficient to cause runoff and

any runoff from the steam generator sites would either percolate near the sites or runs to natural drainage channels. The lack of water bodies on the project sites precludes the possibility of potential adverse impacts on water quality.

The District concludes that there is no substantial evidence of record to support a conclusion that the project would violate water quality standards or waste water discharge requirements or have a negative impact on groundwater supplies.

Mitigation: See below.

To ensure compliance with DOGGR and RWQCB requirements the following conditions will be included in the ATC:

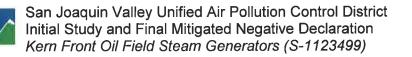
- HYD-1 Permittee shall comply with all applicable Division of Oil, Gas, and Geothermal Resources (DOGGR) Underground Injection Control (UIC) requirements. Permittee shall retain any records deemed necessary by DOGGR onsite and the records shall be made available to the District upon inspection. [Public Resources Code 21000-21177: California Environmental Quality Act]
- HYD-2 Permittee shall comply with all applicable Regional Water Quality Control Board (RWQCB) water quality standard and waste discharge regulations. Permittee shall retain any permits/records deemed necessary by the RWQCB on-site and shall make these permits/records available to the District upon inspection. [Public Resources Code 21000-21177: California Environmental Quality Act]

## Drainage Systems (c, d)

**Conclusion:** The project will not have an impact resulting from the alteration of existing drainage patterns or contribution to runoff water exceeding the capacity of storm water drainage systems.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The project does not alter any streams, rivers, or any other waterways. As discussed above, project construction requires minimal soil disturbance, and, therefore, is expected to neither have an impact on existing drainage patterns nor contribute to excessive runoff water.

The existing project sites will not be altered enough to have a negative effect on surface runoff or increase flooding potential. Precipitation at the project site is rarely sufficient to cause runoff. Any runoff from the steam generator sites would either percolate near the sites or runs to natural drainage channels. The project would not introduce a new flood



hazard and would not necessitate any new flood control projects. Therefore, there will be no impacts on any public drainage systems.

Mitigation: None required.

## Flooding and Inundation (g - j)

**Conclusion:** The project will not expose people or structures to a significant risk of loss or injury resulting from floods, seiche, tsunami, or mudflow.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The project does not include construction of any housing units. The project sites are not located within the 100-year flood zone as mapped on Flood Insurance Rate Maps. The project sites are in a county not identified in the Tsunami Inundation maps by the California Geological Survey as a county with inundation risk. The steam generator sites are open areas and would not impede or redirect flood flows. The existing sites will not be altered enough to have a negative effect on surface runoff or increase flooding potential. Precipitation at the project site is rarely sufficient to cause runoff. Any runoff from the steam generator sites would either percolate near the sites or runs to natural drainage channels. The project would not introduce a new flood hazard and would not necessitate any new flood control projects. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would expose persons or structures to negative impacts resulting from flooding, tsunamis, or mudflow.

Mitigation: None required.

## References

California Department of Conservation, California Geological Survey. *Tsunami Information*. Website:

http://www.conservation.ca.gov/cgs/geologic\_hazards/Tsunami/Pages/Index.aspx

County of Kern. *Engineering, Surveying and Permit Services. Website:* http://esps.kerndsa.com/gis.

Federal Emergency Management Agency. Website: http://www.msc.fema.gov/

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

Western Regional Climate Center. *PRISM Precipitation Maps: 1961-90*. Website: http://www.wrcc.dri.edu/precip.html

X.		nd Use / Planning ould the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
	a)	Physically divide an established community?				X
	b)	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the Project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
	c)	Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

#### X. LAND USE/PLANNING

## Land Use and Planning (a, b)

**Conclusion:** The project will not divide an established community or conflict with applicable land use plans, policies, or regulations.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses.

The nearest community to the project sites is Oildale, which is approximately five (5) miles south of Project Site 2. Therefore, the project will not divide an established community.

The project sites are currently designated in the Kern County 2009 General Plan as Intensive Agriculture (Code 8.1) and Mineral and Petroleum (Code 8.4) and are currently zoned as Limited Agriculture (Zone A-1). Pursuant to Section 19.14.020(E) of the Zoning Ordinance of Kern Count, steam generators (excluding coal fired), are a permitted use, by right, in Zone A-1. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would conflict with applicable land use plans, policies, or regulation.

Mitigation: None required.



## Habitat and Natural Community Conservation Plans (c)

**Conclusion:** The project will not conflict with any applicable Habitat Conservation Plan or Natural Community Conservation Plan.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses.

Kern County has prepared two (2) habitat conservation plans (HCP) designed to protect biological resources in the project area. Collectively, the Draft Valley Floor Habitat Conservation Plan (VFHCP) and the adopted Metropolitan Bakersfield Habitat Conservation Plan (MBHCP) address impacts on biological resources throughout the majority of Kern County. Project Site 1 is located within the VFHCP in a Productive Oil Area designated as Green Zone and Project Site 2 is designated as an Oil Zone within the MBHCP. The project is not located within the boundaries of a Natural Community Conservation Plans (NCCP) or any other USFWS designated critical habitat. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would conflict with any applicable HCP or NCCP.

Mitigation: None required.

#### References

California Department of Fish and Wildlife. Conservation and Mitigation Banks in California Approved by the Department of Fish and Game. Website: http://www.dfg.ca.gov/habcon/conplan/mitbank/catalogue/catalogue.html

California Department of Fish and Wildlife. *Natural Community Conservation Planning*. Website: http://www.dfg.ca.gov/habcon/nccp/.

County of Kern. 2009 General Plan. Website: http://www.co.kern.ca.us/planning/pdfs/kcgp/KCGP.pdf.

County of Kern. Valley Floor Habitat Conservation Plan. Website: http://www.co.kern.ca.us/planning/pdfs/vfhcp\_dec06.pdf

County of Kern. *Engineering, Surveying and Permit Services. Website:* http://esps.kerndsa.com/gis.

County of Kern. *Metro Bakersfield Habitat Conservation Plan. Website:* http://pcd.kerndsa.com/fag/metropolitan-bakersfield-habitat-conservation-plan.

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

United States Fish and Wildlife Service. *Conservation Plans and Agreements Database*. Website: http://ecos.fws.gov/conserv\_plans/public.jsp

United States Fish and Wildlife Service. *Habitat Conservation Plans*. Website: http://www.fws.gov/endangered/what-we-do/hcp-overview.html

	neral Resources	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				х
b)	Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				х

#### XI. MINERAL RESOURCES

# Mineral Resources (a, b)

**Conclusion**: The project will not have an impact on mineral resources.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The project sites are currently designated in the Kern County 2009 General Plan as Intensive Agriculture (Code 8.1) and Mineral and Petroleum (Code 8.4) and are currently zoned as Limited Agriculture (Zone A-1). Pursuant to Section 19.14.020(E) of the Zoning Ordinance of Kern Count, steam generators (excluding coal fired), are a permitted use, by right, in Zone A-1. The project site is not located in an area known to contain a mineral resource that is of value to the region or state. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would result in the loss of a known mineral resource or the availability of a locally important mineral resource recovery site.

Mitigation: None required.

## References

California Department of Conservation, California Geological Survey. *Mineral Resources*. Website:

http://www.conservation.ca.gov/cgs/geologic\_resources/mineral\_resource\_mapping/Pages/Index.aspx

County of Kern. 2009 General Plan. Website: http://www.co.kern.ca.us/planning/pdfs/kcgp/KCGP.pdf.

County of Kern. *Engineering, Surveying and Permit Services. Website:* http://esps.kerndsa.com/gis.

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

XII. N	Noise  puld the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	Шрисс	milgatou	X	Impact
b)	Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?			x	
c)	A substantial permanent increase in ambient noise levels in the Project vicinity above levels existing without the Project?			X	
d)	A substantial temporary or periodic increase in ambient noise levels in the Project vicinity above levels existing without the Project?			X	
e)	For a Project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project expose people residing or working in the Project area to excessive noise levels?				x
f)	For a Project within the vicinity of a private airstrip, would the Project expose people residing or working in the Project area to excessive noise levels?				X

## XII. NOISE

#### Exposure of Persons to Noise and Vibration and Ambient Noise Levels (a-d)

**Conclusion:** The project may result in the exposure of persons to increased noise or vibrations and may increase ambient noise levels in the project vicinity; however, the potential impacts are considered less than significant.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The nearest business and residential receptors to Project Site 1 are located approximately 3,700 feet (0.70 miles) northeast and 7,900 feet (1.50 miles) southeast of the site, respectively. The nearest business and residential receptors to Project Site 2 are located approximately 2,400 feet (0.45 miles) southwest and 5,500 feet (1.04 miles) southeast of the site, respectively. The nearest schools, Highland Elementary School and North High School are located approximately three (3) miles south of Project Site 2 in the unincorporated community of Oildale.

Sound pressure decreases as distance between the source and the receptor increases. A sound level of 85 decibels (dB) measured at 50 feet from the source would decrease to about 63 dB at a distance of 600 feet. As such, the project will not exceed any standards set forth in the Kern County General Plan or Noise Ordinance at the nearest public receptor.

During construction activities, noise levels will be elevated. However, the increase in noise is temporary and will subside once construction of the project is completed. The nearest receptor is located approximately 0.45 mile from the project site. As such, construction activities would not cause a distinguishable change in noise levels to the general public.

The steam generators in this project will result in a permanent increase in ambient noise levels. Ambient noise levels are not expected to increase to above 90 db except in areas immediately near the discharge headers. Future noise types and volumes will be consistent with current land use and existing operations. The nearest receptor is located approximately 0.45 mile from the project site. As such, the project would not cause a distinguishable change in noise levels to the general public.

State and federal standards set by the U.S. Department of Labor Occupational Safety and Health Administration (OSHA) regulate the amount of time workers may be exposed to sound levels above 90 decibels. The project may result in noise exceeding 90 dB and a slight increase in ground vibration within 50 feet of the proposed steam generators. If the project results in noise exceeding 85 dB, VPC will comply with all OSHA regulations for the protection against the effects of noise exposure (CCR §5095-5100).

The District concludes that there is no substantial evidence of record to support a conclusion that the project would expose the public or VPC employees to significant increases in noise or vibrations.

Mitigation: None required.

## Increased Noise Exposure Near Airfields (e, f)

**Conclusion:** The project will not expose people residing or working in the project area to excessive noise levels.

**Discussion:** The project is not located within two (2) miles of a private or public airport. The nearest private airport is Majors Airport (6CL0) and is located approximately four and a half (4.5) miles northwest of the Project Site 1. The nearest public airport is the Meadows Field Airport (BFL), located approximately two and a half (2.5) miles southwest of Project Site 2. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the Project would expose people residing or working in the project area to excessive noise levels.

Mitigation: None required.

## References

California Department of Industrial Relations. *General Industry Safety Orders, Group 15. Occupational Noise*. Website: http://www.dir.ca.gov/title8/sb7g15.html

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	Population / Housing	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				x
b)	Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				Х
c)	Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				Х

## XIII. POPULATION AND HOUSING

#### Population and Housing (a, b, c)

**Conclusion:** The project will not result in a substantial growth in population growth or the displacement of people or housing units.

**Discussion:** The project is within the existing boundaries of the Kern Front Oilfield. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The project will not increase substantial population growth in the area because the project is expected to be maintained and manned by existing VPC personnel and contractors. The project sites are located at or very near existing steam generator sites and are developed for current operations, which does not include on-site housing. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would induce substantial population growth or displace substantial numbers of people or housing.

Mitigation: None needed,

#### References

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

XIV. Public Services  Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
i) Fire protection?				Х
ii) Police protection?				Х
iii) Schools?				Х
iv) Parks?				Х
v) Other public facilities?				X

#### XIV. PUBLIC SERVICES

# Fire Protection and Police Protection (a.i, a.ii)

**Conclusion:** The project will not require additional fire or police protection facilities and will not negatively impact the County's ability to provide services.

**Discussion:** The project is within the existing boundaries of the Kern Front Oil Field. The Kern Front Oil Field covers approximately 15 square miles, which historically has been allowed for the exploration and production of oil. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses.

The project is located in an area designated by CAL FIRE as a Moderate Fire Hazard Severity Zones within a State Responsible Area (SRA). Kern County is a Contract County with CAL FIRE and the SRA is serviced by the Kern County Fire Department for fire protection services. Kern County Fire Department has two (2) fire stations (Stations 62 and 63) within three (3) miles of Project Site 2. The project will be designed to meet the standards of the current California Fire Code and Federal safety standards. Installation and operation of the project in accordance with these standards will minimize the potential for fire. No new or altered fire protection facility would be necessary. Therefore, the District concludes that construction and operation of the project would have a less than significant impact on fire protection capabilities in the project area.

The project area is serviced by the Kern County Sheriff Department for police protection services. The nearest sheriff station to the project site is located on Norris Road, approximately three and a half (3.5) miles south of Project Site 2. No new or altered police protection facility would be necessary. Therefore, the District concludes that construction and operation of the project would have a less than significant impact on police protection capabilities in the project area.

## Schools, Parks and Other Public Facilities (a.iii -a.v)

**Conclusion:** The project will not require additional schools, parks, or other public facilities, nor will it negatively impact existing facilities.

**Discussion:** The project is located on property currently occupied by VPC which historically has allowed for the exploration and production of oil. The project is located within the existing boundaries of the Kern Front Oilfield as designated by DOGGR, and is consistent with current operations. The project is expected to be maintained and manned by existing VPC personnel and contractors and, therefore, will not increase the population in the surrounding area. A lack of substantial increase in population precludes the possibility of the project having a negative impact on local schools and parks, or any other public facility. Therefore the District concludes that there is no substantial evidence of record to support a conclusion that the project would have a significant impact on public facilities.

## References

County of Kern. *Engineering, Surveying and Permit Services. Website:* http://esps.kerndsa.com/gis.

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

XV. Recreation  Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
<ul> <li>a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?</li> </ul>				x
b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

#### XV. RECREATION

## Recreational Facilities (a, b)

**Conclusion:** The project will not have an impact on neighborhood or regional parks, or any other local recreational facilities.

**Discussion:** The project is within the existing boundaries of the Kern Front Oilfield. The project is located on property currently occupied by VPC for oil production activities consistent with current and surrounding land uses. The project consists solely of the construction and operation of steam generators and is located on property currently occupied by VPC which historically has allowed for the exploration and production of oil. The project is expected to be maintained and manned by existing VPC personnel and contractors and, therefore, will not increase the population in the surrounding area. The project does not include new recreational facilities, and a lack of substantial increase in population precludes the possibility of the project having a negative impact on neighborhood and regional parks. The District concludes that there is no substantial evidence of record to support a conclusion that the project would have a significant impact on or resulting from recreational facilities.

Mitigation: None required,

## References

County of Kern. Engineering, Surveying and Permit Services. Website: http://esps.kerndsa.com/gis.

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

	Transportation / Traffic	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation systems, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
b)					X
c)	200				X
d)	Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e)					X
f)	Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				x

## XVI. TRANSPORTATION / TRAFFIC

# Conflict with Transportation and Transit Plans and Facilities (a, b, f)

**Conclusion:** The project will not conflict with any circulation plans, congestion management programs, or alternative transportation facilities.

**Discussion:** The project is located on property currently occupied by VPC which historically has allowed for the exploration and production of oil. The project is located within the existing boundaries of the Kern Front Oilfield as designated by DOGGR, and is consistent with current operations. The project consists of the construction and operation of steam generators which are used in the oil recovery process. The project is expected to be maintained and manned by existing VPC personnel and contractors. As the project will not yield finished product, there will be no additional off-site vehicle trips associated with the operation of the project except for the occasional maintenance supplies.

The project is expected to be maintained and manned by existing VPC personnel and contractors. It is expected that approximately 20 workers will be needed during peak construction activities. It is expected that approximately 70 heavy-duty truck trips (35 trucks) are needed to transport construction materials. The trucks are expected to utilize one (1) of the following routes to access the project sites:

- From State Route 99:
  - o 7<sup>th</sup> Standard Road (Merle Haggard Drive), to Airport Drive, to Granite Road (Bakersfield-Glennville Road); or
  - 7<sup>th</sup> Standard Road (Merle Haggard Drive), to Airport Drive, to James Road, to Oilfield Road; or
- From State Route 65:
  - James Road, to Oilfield Road

Project construction related traffic is short-term and will not be sufficient to impede the flow of traffic or decrease the level of service (LOS) on these roads.

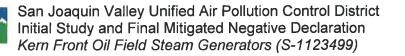
Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would conflict with transportation and transit plans or would result in negative impacts to existing circulation systems.

Mitigation: None required.

## Potential Safety Risks (c, d, e)

**Conclusion:** Project related traffic will not change air traffic patterns or include hazardous design features and, therefore, will not pose a safety risk.

**Discussion:** The project is located on property currently occupied by VPC which historically has allowed for the exploration and production of oil. The project is located within the existing boundaries of the Kern Front Oilfield as designated by DOGGR, and is consistent with current operations. The project consists solely of the construction and operation of steam generators. The project is not located within two (2) miles of a



private or public airport. The nearest private airport is Majors Airport (6CL0) and is located approximately four and a half (4.5) miles northwest of the Project Site 1. The nearest public airport is the Meadows Field Airport (BFL), located approximately two and a half (2.5) miles southwest of Project Site 2. Therefore, the project will not present any safety risks resulting from a change in air traffic patterns.

The project does not include the construction of new public roads or alterations to existing public roads or intersections. As such, the project will not result in increased road hazards. The project sites anticipate approximately two (2) vehicle access points during and after construction. Temporary equipment staging areas will become part of the plant site and be set aside for employee and visitor vehicle parking. Therefore, the project will be designed in such a manner that there are no potential impacts on emergency access.

Mitigation: None required.

#### References

Google Maps. September 2012.

Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

	Utilities / Service Systems	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	7 ).			X
b)	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				x
c)	Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				x
d)	Have sufficient water supplies available to serve the Project from existing entitlements and resources, or are new or expanded entitlements needed?			х	

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	Utilities / Service Systems	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
e)	Result in a determination by the wastewater treatment provider that serves or may serve the Project that it has adequate capacity to serve the Project's projected demand in addition to the provider's existing commitments?				X
f)	Be served by a landfill with sufficient permitted capacity to accommodate the Project's solid waste disposal needs?				X
g)	Comply with federal, state, and local statutes and regulations related to solid waste?				X

#### XVII. UTILITIES / SERVICE SYSTEMS

#### Wastewater Treatment and Facilities (a-b, e)

**Conclusion:** The project would not exceed wastewater treatment requirements or require the construction of new wastewater facilities.

Discussion: The project is located on property currently occupied by VPC which historically has allowed for the exploration and production of oil. The project is located within the existing boundaries of the Kern Front Oilfield as designated by DOGGR, and is consistent with current operations. The steam generators will provide steam for TEOR well operations within the Kern Front Oil Field. The DOGGR's Well Review Program (WRP) requires consistency with the Underground Injection Control (UIC) regulations of the Safe Drinking Water Act and with the Basin Water Quality Control Plan adopted by the RWQCB for the Central Valley Region. The WRP, which covers each discrete cyclic steam oil well and each brine injection well, ensures that the project will not have a significant impact on existing water resources. Water produced by TEOR wells will be recycled to the extent possible (i.e. reinjected into the producing formation) and the excess discharged to Valley Waste under existing industrial discharge permits. Therefore, the project will not exceed wastewater treatment requirements or require the construction of new wastewater treatment facilities.

Mitigation: See Mitigation Measures HYD-1 and HYD-2.

## Storm Water Drainage and Facilities (c)

**Conclusion:** The project would not require the construction of new storm water drainage facilities.



**Discussion:** The proposed steam generators will be sited in areas where there will be minimal "new" disturbance of soil. Approximately twelve (12) acres of soil is expected to be disturbed in connection with the construction. All of the surface area disturbed by construction is to remain as part of the plant site after construction is complete. Precipitation at the project sites is rarely sufficient to cause runoff. Any runoff from the steam generator sites would either percolate near the project sites or runs to natural drainage channels. As such, the existing project sites will not be altered enough to have a negative effect on surface runoff or storm water drainage and new drainage facilities will not be required.

Mitigation: None required.

#### Water Supply (d)

**Conclusion:** The project will have sufficient water supplies and new or expanded entitlements are not required.

**Discussion:** The project is located on property currently occupied by VPC which historically has allowed for the exploration and production of oil. The project is located within the existing boundaries of the Kern Front Oilfield as designated by DOGGR, and is consistent with current operations. The project will use water allowed under existing water entitlements held by VPC, which were obtained from the West Kern Municipal Water District. No new water entitlements will be necessary for project implementation. Existing on-site water wells pump water from the Tulare Formation, which is not a source of irrigation or drinking water due to total dissolved solids (TDS) levels which are above water quality standards for potable water. As such, the District concludes that the project will have sufficient water supplies available and will not result in any new or expanded entitlements.

Mitigation: None required.

#### Solid Waste (f, g)

**Conclusion:** The project will comply with all solid waste regulations and will not have an impact on the landfill that currently serves VPC's Kern Front operations.

**Discussion:** The project is located on property currently occupied by VPC which historically has allowed for the exploration and production of oil. The project is located within the existing boundaries of the Kern Front Oilfield as designated by DOGGR, and is consistent with current operations. VPC's Kern Front operations are currently served by the Taft Sanitary Landfill. The project will result in only minimal amounts of solid waste and VPC has detailed guidelines for employees to ensure solid wastes are handled in accordance with all applicable laws. Therefore, the District concludes that there is no substantial evidence of record to support a conclusion that the project would have a significant impact resulting from the disposal of solid waste.

Mitigation: None required.

## References

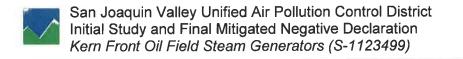
Frost, Jerry, HES Advisor. Vintage Production California, LLC. Electronic and Telephone Communication.

	Mandatory Findings of Significance	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a)	Does the Project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
b)	Does the Project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively Considerable" means that the incremental effects of a Project are considerable when viewed in connection with the effects of past Projects, the effects of other current Projects, and the effects of probable future Projects)?		X		
c)	Does the Project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?			x	

## XVIII. MANDATORY FINDINGS OF SIGNIFICANCE

# Impacts on the Environment and Special Status Species (a)

**Conclusion:** The project, with the incorporation of mitigation measures, will not result in significant impacts on the environment and special status plant and animal species.



**Discussion:** With the incorporation of required permit conditions, the surrender of ERCs, and the incorporation of mitigation measures as outlined in the Initial Study, the project will have a less than significant impact on the environment and special status species.

**Mitigation:** See Mitigation Measures: AIR-1 through AIR-3; and BIO-1 through BIO-16; and HAZ-1 through HAZ-4.

## Cumulative Impacts (b)

**Conclusion:** The project, with the incorporation of mitigation measures, will not have cumulatively significant impacts on the environment, plant and animal species, or the human population.

**Discussion:** CEQA Guidelines state that a Lead Agency shall consider whether the cumulative impact of a project is significant and whether the effects of the project are cumulatively considerable (CCR §15065). The assessment of the significance of the cumulative effects of the project must, therefore, be conducted in connection with the effects of past projects, other current projects, and probable future projects. Due to the nature and location of the project and consistency with environmental policies, incremental contributions to impacts are considered less than cumulatively considerable. The project is not a part of any larger, planned developments. Therefore, the project would not contribute substantially to adverse cumulative conditions, or create any substantial indirect impacts (i.e., an increase in population that could lead to an increase need to housing, increase in traffic, air pollutants, etc.).

**Mitigation:** See Mitigation Measures: AIR-1 through AIR-3; BIO-1 through BIO-16; CUL-1 and CUL-2; GHG-1; HAZ-1 through HAZ-4; and HYD-1 and HYD-2.

## Impacts on Humans (c)

**Conclusion:** The project, with the incorporation of mitigation measures, will not result in significant environmental impacts that would cause substantial adverse effects on human beings.

**Discussion:** The analyses of environmental issues contained in this Initial Study indicate that the project is not expected to have a substantial impact on human beings, either directly or indirectly. Project design elements and mitigation measures have been incorporated into the project to reduce all potentially significant impacts to less than significant.

**Mitigation:** See Mitigation Measures: AIR-1 through AIR-3; CUL-1 and CUL-2; GHG-1; HAZ-1 through HAZ-4; and HYD-1 and HYD-2.



#### References

County of Kern. *Engineering, Surveying and Permit Services. Website:* http://esps.kerndsa.com/gis.

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San Joaquin Valley Unified Air Pollution Control District. October 2012. *Risk Management Review* Applicant No. S-1326, Project No. S-1123499. Available at San Joaquin Valley Air Pollution Control District. 1990 East Gettysburg Avenue, Fresno, CA 93726.