

Proposed Findings and Statement of Overriding Considerations

Introduction

The California Air Resources Board (CARB), as the lead agency for the *Proposed Zero-Emission Forklift Regulation* (Proposed Regulation or Proposed Project), prepared a Draft Environmental Impact Analysis (EIA) under its certified regulatory program (Cal. Code Regs., tit. 17, §§ 60000 – 60008) to comply with the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000, *et seq.*). The Draft EIA, entitled *Draft Environmental Impact Analysis prepared for the Proposed Zero-Emission Forklift Regulation*, included as Appendix C to the Staff Report (Initial Statement of Reasons) for the Proposed Regulation, analyzed the potential environmental impacts associated with the Proposed Regulation. Following circulation of the Draft EIA for a public review and comment period from November 10, 2023, through December 26, 2023, CARB staff made further modifications to the Proposed Regulation available for a 15-day comment period through a “Notice of Public Availability of Modified Text and Availability of Additional Documents and Information” (15-Day Notice). The 15-Day Notice and modified regulatory language were posted on May 21, 2024, for public review and comment through June 5, 2024. CARB staff determined that the 15-day modifications to the Proposed Regulation would not result in any new reasonably foreseeable significant environmental impacts or substantially increase the severity of an identified environmental impact, or otherwise require recirculation of the EIA. Following the close of the 15-day comment period, CARB prepared the *Final Environmental Impact Analysis prepared for Proposed Zero-Emission Forklift Regulation* (Final EIA), which includes minor revisions to the Draft EIA. While updates have been made to the EIA to ensure it accurately reflects the Proposed Regulation, these changes merely clarify, amplify, or make insignificant modifications to the otherwise-adequate Draft EIA. These changes to the Draft EIA would not result in any new reasonably foreseeable significant environmental impacts or substantially increase the severity of an identified environmental impact. The Draft EIA’s findings, overall significance conclusions, mitigation measures, and alternatives adequately address the environmental review for the proposed modifications. Therefore, there is no significant new information that would require the EIA to be recirculated. The Final EIA was posted on CARB’s webpage on June 26, 2024.

This statement of findings and overriding considerations was prepared to comply with CEQA’s requirement to address the environmental impacts identified in the Final EIA. (Pub. Resources Code, §§ 21081, 21081.6, Cal. Code Regs, tit. 14, §§ 15091, 15093.) The Final EIA is based on the expected compliance responses of the regulated entities covered by the Proposed Regulation. Although the policy aspects and requirements of the Proposed Regulation would not directly change the physical environment, potential indirect physical changes to the environment could result from reasonably foreseeable actions undertaken by entities in response to the Proposed Regulation. These indirect impacts are the focus of the programmatic-level impacts analysis in the Final EIA.

Collectively, across all categories, the Final EIA concluded that the reasonably foreseeable compliance responses associated with the Proposed Regulation could cause the following short-term and long-term impacts: beneficial impacts to air quality (long-term operational) and GHG emissions; less than significant impacts to energy demand, mineral resources,

population and housing, public services, recreation, and wildfire; and potentially significant adverse impacts to aesthetics, agriculture and forest resources, air quality (short term construction and odor related), biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, transportation, tribal cultural resources, and utilities and service systems. The potentially significant and unavoidable adverse impacts are disclosed for both short-term, construction-related activities, and long-term operational activities, which is why some resource areas are identified above as having both beneficial or less-than-significant impacts and potentially significant impacts.

CARB's certified regulatory program requires that before adoption of an action for which significant adverse environmental impacts have been identified during the review process, CARB consider feasible mitigation measures and alternatives that could substantially reduce the impacts. (Cal. Code Regs, tit. 17, § 60004.2.) CEQA places the burden on the approving agency to affirmatively show it has considered feasible mitigation and alternatives that can lessen or avoid identified impacts through a statement of findings for each identified significant impact. (Pub. Resources Code, § 21081.) The CEQA Guidelines, in California Code of Regulations, title 14, at section 15091, provide direction on the content of the statement of findings. That section states that one or more of these findings should be identified for each impact:

- Changes or alterations have been required in, or incorporated into, such projects which avoid or substantially lessen the significant environmental effect as identified in the final environmental impact report.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the environmental impact report.

The potential adverse impacts identified in this programmatic level EIA are potential indirect impacts associated with the compliance responses that are reasonably foreseeable, based on available information, in response to the Proposed Regulation. The ability to determine site- or project-specific impacts of projects carried out by third parties to comply with the Proposed Regulation and the authority to require feasible mitigation lies with those agencies with authority to approve such actions, e.g. local permitting authorities in city or county governments and local air districts. CARB does not have the ability to determine with any specificity the potential impacts of projects undertaken in response to the Proposed Regulation, nor the authority to require mitigation for such projects, in approving the Proposed Regulation, as discussed in the findings below.

An agency may approve a project with unavoidable (unmitigated) adverse environmental impacts. When doing so, CEQA requires the agency to make a statement in the record of its views on the ultimate balancing of the merits of approving the project despite the environmental impacts in a "statement of overriding considerations." (Pub. Resources Code, § 21081(b); Cal. Code Regs, tit. 14, § 15093.) The following provides CARB Board's (Board) statement of findings for each significant adverse impact identified in the Final EIA, which is hereby incorporated by reference herein, as well as a brief explanation and its statement of overriding considerations.

Statement of Findings

The Board has independently reviewed and considered the entire record, including the information in the Final EIA, public testimony, written comments received, and the written responses to environmental comments, which are incorporated by reference. The Board makes these written findings for each significant adverse impact identified, accompanied by a brief explanation of the rationale for each finding. These findings are supported by substantial evidence in the record.

Aesthetics

Finding and Explanation

The Final EIA found that the reasonably foreseeable actions associated with implementing the Proposed Regulation could result in potentially significant short-term construction-related impacts and long-term- operational impacts on aesthetic resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts.

For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA includes Mitigation Measures 1-1 and 1-2, which identify existing statutes and regulations and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 1-1 and 1-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 1-1 and 1-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

Impacts may be reduced to a less than significant level by land use or permitting agency conditions of approval at a later stage. But at this stage, the Board lacks full details on the design of potential projects and associated required mitigation. Consequently, the Board takes a conservative approach in its post mitigation significance conclusion and finds the impacts to this resource associated with the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations below.

Agriculture and Forestry Resources

Finding and Explanation

The Final EIA found that the reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction related impacts and long term- operational impacts on agriculture and forestry resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and

hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalyts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA includes Mitigation Measure 2-1, which identifies existing statutes and regulations and construction and operating permit requirements and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 2-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 2-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level- mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project specific- details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

Impacts may be reduced to a less than significant level by land use or permitting agency conditions of approval at a later stage. But at this stage, the Board lacks full details on the design of potential projects and associated required mitigation. The Board takes a conservative approach in its post mitigation significance conclusion and finds the impacts to this resource associated with the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations below.

Air Quality

Finding and Explanation

The Final EIA found that reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction-related and odor related impacts on air quality. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the

use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalyts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

As described in greater detail in the Final EIA, it would be expected that the primary sources of construction-related emissions would occur from soil disturbance and use of construction equipment. It is expected that during the construction phase for any new project, criteria air pollutants (e.g., oxides of nitrogen or NO_x, oxides of sulfur or SO_x, and particulate matter (PM)) and toxic air contaminants (TACs) could be generated from many activities and emission sources, such as equipment use and worker commute trips.

The Final EIA included Mitigation Measures 3-1 and 3-3, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 3-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 3-1 and 3-3 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This impact potential is overridden by the project's benefits as explained in the statement of overriding considerations.

Biological Resources

Finding and Explanation

The Final EIA found that reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction-related impacts and long-term- operational impacts on biological resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA included Mitigation Measures 4-1 and 4-2, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 4-1 and 4-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 4-1 and 4-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This impact potential is overridden by the project's benefits as explained in the statement of overriding considerations.

Cultural Resources

Finding and Explanation

The Final EIA found that reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction-related impacts and long-term- operational impacts on cultural resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA included Mitigation Measure 5-1, which identifies existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 5-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 5-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the

identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Geology and Soils

Finding and Explanation

The Final EIA found that reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction-related impacts and long-term- operational impacts on geology and soil resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA included Mitigation Measure 7-1, which identifies existing statutes and regulations and construction and operational permit requirements, and other recognized

practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 7-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 7-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Hazards and Hazardous Materials

Finding and Explanation

The Final EIA found that the reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially short-term construction-related impacts and long-term operational-related impacts on hazards and hazardous material resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts,

and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA includes Mitigation Measures 9-1 and 9-2, which identify existing statutes and regulations and construction and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 9-1 and 9-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 9-1 and 9-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level- impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project specific- details of mitigation, the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource is inherently uncertain.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less than significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Hydrology and Water Quality

Finding and Explanation

The Final EIA found reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term- construction related impacts and long-term- operational impacts on hydrology and water quality resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased

demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA included Mitigation Measures 10-1 and 10-2, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 10-1 and 10-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 10-1 and 10-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less than significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Regulation's benefits as explained in the statement of overriding considerations.

Land Use and Planning

Finding and Explanation

The Final EIA found that reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction-related impacts and long-term- operational impacts on land use and planning. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants.

The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA included Mitigation Measures 2-1, 4-1, 4-2, 7-1, 10-1, and 10-2, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 2-1, 4-1, 4-2, 7-1, 10-1, and 10-2 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 2-1, 4-1, 4-2, 7-1, 10-1, and 10-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less-than-significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the project's benefits as explained in the statement of overriding considerations.

Noise

Finding and Explanation

The Final EIA found that reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction-related impacts and long-term- operational impacts related to noise and vibration. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts.

As explained in further detail in the Final EIA, implementation of reasonably foreseeable compliance responses could result in the generation of short-term construction noise in excess of applicable standards or that result in a substantial increase in ambient levels at nearby sensitive receptors, and exposure to excessive vibration levels. Operational-related activities associated with mining could produce substantial stationary sources of noise, and new sources of noise associated with implementation of Proposed Regulation could include operation of manufacturing plants. For a more detailed discussion of potential noise and vibration impacts associated with the Proposed Regulation please see the Final EIA (as incorporated by reference).

The Final EIA included Mitigation Measures 13-1 and 13-2, which identify existing statutes and regulations and construction and operational permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 13-1 and 13-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 13-1 and 13-2 should be adopted by those agencies. Public agencies with the requisite authority can and

should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less than significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Regulation's benefits as explained in the statement of overriding considerations.

Transportation

Finding and Explanation

The Final EIA found that reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction-related impacts and long-term operational impacts on transportation resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts.

Although detailed information about potential specific construction activities is not currently available, it would be anticipated to result in short-term construction traffic (primarily motorized) from worker commute- and material delivery-related trips. Depending on the amount of trip generation and the location of new facilities, implementation could conflict

with applicable programs, plans, ordinances, or policies (e.g., performance standards, congestion management); and/or result in hazardous design features and emergency access issues from road closures, detours, and obstruction of emergency vehicle movement, especially due to project-generated heavy-duty truck trips. In addition, implementation of the Proposed Regulation could require the operation of new infrastructure to distribute alternate fuels (such as electricity and hydrogen). Additionally, increased demand for lithium-ion storage batteries and fuel cells could result in an increase in lithium and platinum mining. For a more detailed discussion of potential transportation and traffic impacts associated with the Proposed Regulation please see the Final EIA (as incorporated by reference).

The Final EIA included Mitigation Measures 17-1 and 17-2, which identify existing statutes and regulations and construction permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measures 17-1 and 17-2 are within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measures 17-1 and 17-2 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less than significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Regulation's benefits as explained in the statement of overriding considerations.

Tribal Cultural Resources

Finding and Explanation

The Final EIA found that the reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant short-term construction related and long-term- operational related impacts on tribal cultural resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals

from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalyts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts. For a more detailed discussion of potential aesthetics impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA includes Mitigation Measure 18-1, which identifies existing statutes and regulations and construction and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 18-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 18-1 should be adopted by those agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level- mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project specific- details of mitigation, the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource is inherently uncertain.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less than significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Regulation's benefits as explained in the statement of overriding considerations.

Utilities and Service Systems

Finding and Explanation

The Final EIA found that the reasonably foreseeable actions associated with implementing the Proposed Regulation could cause potentially significant long-term- operational related

impacts on utilities and service systems resources. The reasonably foreseeable compliance actions include the purchase of new zero-emission forklifts (ZEFs). This would increase demand for ZEF manufacturing, which in turn may result in the construction and operation of new manufacturing facilities, modification of existing facilities, repurposing, or closing of some existing facilities, or reopening of currently closed plants. The Proposed Regulation may also result in increased use of lithium and lead-acid batteries, which could incrementally increase mining and imports of lithium, lead, and other minerals from countries with raw mineral supplies, with some mineral demand being met domestically. The increase in the use of batteries could also require new facilities and the expansion of existing facilities for recycling and disposal. The Proposed Regulation may also result in increased demand for hydrogen fuel cells, which could require the development of new manufacturing facilities and/or expansion of existing manufacturing facilities. Increased demand for fuel cells could also result in an extremely small increase in platinum mining and exports from source countries or other states and a related increase in recycling, refurbishment, or disposal of hydrogen fuel cells. The increased use of battery electric and hydrogen fuel ZEFs could increase the installation of on-site charging and fueling facilities. The use of hydrogen fuel may require transport of hydrogen to fueling locations by truck. Disposal of LSI forklifts would increase sales out of state, scrapping, salvage, recycling, and disposal of hazardous materials, including components, engine oil, filters, exhaust catalysts, and other accessories. Additionally, while less likely to occur, facilities may utilize generators for charging ZEFs, or make operational changes to eliminate the need for forklifts altogether. Lastly, though very unlikely, fleets may replace LSI forklifts with diesel forklifts.

Reasonably foreseeable compliance responses associated with the Proposed Regulation could result in new demand for water, wastewater, electricity, and gas services for new or modified facilities. Generally, facilities would be sited in areas with existing utility infrastructure—or areas where existing utility infrastructure is easily assessable. New or modified utility installation, connections, and expansion would be subject to the requirements of the applicable utility providers. At this time, the specific location and type of construction needed is not known and would be dependent upon a variety of market factors that are not within the control of CARB including: economic costs, product demands, environmental constraints, and other market constraints. Thus, the specific impacts from construction on utility and service systems cannot be identified with any certainty, and individual compliance responses could potentially result in significant environmental impacts for which it is unknown whether mitigation would be available to reduce the impacts. For a more detailed discussion of potential utilities and service system impacts associated with the Proposed Regulation, please see the Final EIA (as incorporated by reference).

The Final EIA includes Mitigation Measure 19-1, which identifies existing statutes and regulations and construction and operating permit requirements, and other recognized practices designed to reduce these potentially significant impacts. The Board finds that the authority to determine site- or project specific- mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Therefore, the Board finds that the authority to implement Mitigation Measure 19-1 is within the responsibility and jurisdiction of other public agencies, and that the requirements and practices in Mitigation Measure 19-1 should be adopted by those

agencies. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible. Because the authority and responsibility to determine project-level impacts and require project-level- mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project specific- details of mitigation, the mitigation that may ultimately be implemented to reduce potentially significant impacts to this resource is inherently uncertain.

At this stage without full details on the design of potential projects and associated required mitigation, while impacts could be reduced to a less than significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the impacts to this resource associated with the proposed actions in the Proposed Regulation would be potentially significant and unavoidable. This potential impact is overridden by the Proposed Regulation's benefits as explained in the statement of overriding considerations.

Cumulatively Considerable Impacts

The plans containing the appropriate summary of projections for considering cumulative impacts of the Proposed Regulation that were considered when analyzing cumulative impacts are the 2022 Scoping Plan and the 2022 State Strategy for the State Implementation Plan. The analysis of cumulative impacts for the Proposed Regulation included a summary of the cumulative impacts found for each resource area in these plans, and a conclusion regarding whether the Proposed Regulation could cause a cumulatively considerable contribution to an existing significant cumulative impact.

The Final EIA concluded the Proposed Regulation could cause a cumulatively considerable contribution to significant cumulative impacts to aesthetics, agricultural and forestry resources, air quality (short-term construction and odor related), biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, transportation, tribal cultural resources, and utilities and service systems. While suggested mitigation is provided within the respective resource areas of the Final EIA analyses that could address the contribution of the Proposed Regulation to each of these potentially cumulatively considerable impacts, the Board finds that because these adverse impacts are potential indirect impacts associated with the compliance responses of covered entities, the authority to determine site- or project-specific mitigation is within the purview of jurisdictions with land use approval and permitting authority, such as city or county governments. Public agencies with the requisite authority can and should implement the identified measures to the degree feasible.

Because the authority and responsibility to determine project-level impacts and require project-level mitigation lies with land use or permitting agencies for individual projects, and the programmatic level of analysis associated with the Final EIA does not address project-specific details of mitigation, there is inherent uncertainty in the mitigation that may ultimately be implemented to reduce potentially significant impacts to these resources. While cumulative impacts could be reduced to a less than significant level by land use or permitting agency conditions of approval, the Board takes a conservative approach in its post-mitigation significance conclusion and finds the cumulatively considerable contribution

of the Proposed Regulation to existing significant cumulative impacts to aesthetics, agricultural and forestry resources, air quality (short-term construction and odor related), biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, transportation, tribal cultural resources, and utilities and service systems to be potentially significant and unavoidable.

Findings on Alternatives to the Project

Besides the No-Project Alternative, the Final EIA considered a reasonable range of potentially feasible alternatives that could reduce or eliminate the significant adverse environmental impacts associated with the Proposed Regulation, while accomplishing most of the basic project objectives.

The Board finds the alternatives analysis will inform the Board and the public regarding the tradeoffs between how much the alternatives could reduce environmental impacts and the corresponding degree to which the alternatives could achieve the project objectives.

Based upon a full evaluation of the alternatives, and the entire record, the Board finds that adopting and implementing the Proposed Regulation is the most desirable, feasible, and appropriate action for achieving the objectives of the project, and the Board rejects the other alternatives because they either fail to meet most project objectives, or are infeasible based on consideration of the factors identified in the Final EIA and briefly described below. Please see the Final EIA for a more in-depth discussion and analysis regarding project alternatives.

Alternative 1: No Project Alternative

Alternative 1 in the EIA describes a reasonably foreseeable scenario if CARB did not approve the Proposed Regulation. Under Alternative 1, the Proposed Regulation would not be implemented and spark-ignited forklifts would continue to be purchased and operated as they have been to date.

The Board finds that while the No Project Alternative would result in no new environmental impacts because no compliance responses would occur it would also fail to meet the project objectives listed in Chapter 2 of the Final EIA. Beneficial impacts resulting from the Proposed Regulation would not occur under the Alternative 1. This would include no reduction of criteria pollutants and GHGs beyond what is required under existing regulations and no reduction in energy use, and no additional public health benefits. In addition to failing to meet project objectives, despite not causing any *new* environmental impacts, the No Project Alternative would be substantially less beneficial to the environment overall compared to the Proposed Regulation. That is, Alternative 1 would not accelerate the necessary criteria pollutant and GHG reductions to achieve California's air quality, health, and climate goals. For these reasons, the Board rejects this alternative.

Alternative 2: Reduce Scope to Cover Only Forklifts with up to 8,000 Pounds of Lift Capacity

Under Alternative 2 only Class IV and Class V forklifts with a lift capacity of 8,000 pounds or less would be covered. That is, unlike the Proposed Regulation, Alternative 2 would not require the phase out of Class IV forklifts with a lift capacity greater than 8,000 pounds and Class V forklifts with a lift capacity between 8,001 and 12,000 pounds. The phase-out schedules for Alternative 2 would be the same as those in the Proposed Regulation for both forklift classes. In addition, all other requirements and provisions in the Proposed Regulation, including reporting, recordkeeping, labeling, and exemptions, would apply. The more-limited scope of Alternative 2 would reduce the number of Class IV and Class V forklifts that would need to be phased out and replaced with ZEFs over the regulatory timeframe.

The Board finds that, compared to the Proposed Regulation, Alternative 2 would result in fewer environmental impacts related to ZEF manufacturing and deployment as well as battery and fuel cell recycling and disposal because there would be fewer ZEF sales than the Proposed Regulation. However, Alternative 2 would not meet the most basic project objectives to that same level as the Proposed Regulation. These objectives seek to accelerate deployment of ZEFs to achieve maximum emission reductions and accelerate the deployment of ZE technologies by 2035 where feasible. Furthermore, this alternative would be less effective in meeting California's climate goals and GHG-related objectives and would also be less effective at meeting criteria-pollutant emission reductions program objectives. This alternative would achieve less NO_x (47 percent less), PM_{2.5} (31 percent less), ROG (32 percent less), and GHG (35 percent less) emission reductions when compared to the Proposed Regulation. Additionally, this alternative fails to meet the goals outlined in EO N-79-20 as effectively as the Proposed Regulation, including achieving 100 percent zero-emission off-road vehicles and equipment in the State by 2035. Therefore, the primary goals of the Proposed Regulation would not be achieved using Alternative 2. For these reasons, the Board rejects this alternative.

Alternative 3: Allow for the Use of Cleaner Spark-Ignited Forklifts

Alternative 3 is a modification of the Proposed Regulation that would allow fleets to turn over some portion of their forklifts to the cleanest certified LSI engines rather than ZE technology. These cleaner spark-ignited forklifts could include forklifts fueled by renewable propane.

The types of impacts under Alternative 3 would be the same as under the Proposed Regulation, including potentially significant adverse impacts related to aesthetics, agriculture and forestry resources, biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, mineral resources, noise, transportation, tribal cultural resources, and utilities and service systems. However, because many of the adverse environmental effects would be associated with manufacturing and new infrastructure, the degree of these impacts under Alternative 3 may occur later in time than they would under the Proposed Regulation.

The Board finds this Alternative would produce fewer operational impacts as compared to the Proposed Regulation because of the reduced number of ZEFs deployed. However, this

alternative would not meet the most basic projects objectives to that same level as the Proposed Regulation. These objectives seek to accelerate deployment of ZEFs to achieve maximum emission reductions and accelerate the deployment of zero-emission technologies by 2035 where feasible. Alternative 3 would result in less ZEF deployments, less ZEF-related economic activity, and less ZEF infrastructure build-out. Furthermore, this alternative would be less effective in meeting California's climate goals and GHG-related objectives, both in the near term and over time as California's electric grid pivots further toward renewable and zero-carbon resources. This alternative would also be less effective at meeting criteria pollutant emissions reductions program objectives. This alternative would achieve less NO_x, PM_{2.5}, ROG, and GHG emission benefits when compared to the Proposed Regulation. Additionally, this alternative fails to meet the goals outlined in EO N-79-20. For these reasons, the Board rejects this alternative.

Alternatives Considered but Rejected

The Final EIA also includes four additional alternatives that were considered but rejected from meeting the criteria for undergoing a full alternatives analysis under CEQA. The CEQA Guidelines Section 15126.6(c) includes three factors that may be used to eliminate alternatives from detailed consideration in an EIR: "i. failure to meet most of the basic project objectives; ii. Infeasibility, or iii. Inability to avoid significant environmental impact." As these alternatives did not meet these factors detailed consideration was not provided in the Final EIA. The alternatives considered but rejected are: Use Hours-of-Use as Basis for Phasing Out Targeted Forklifts, Extend the Availability of the Low-Use Exemption Indefinitely for All Fleets, Allow Rental Fleets to Purchase New Class IV Forklifts in 2026, 2027, and 2028, and Exempt Small Fleets. For a more detailed discussion of alternatives considered but rejected, please see the Final EIA (as incorporated by reference).

Statement of Overriding Considerations

CARB expects that many of the significant adverse impacts identified in the Final EIA will be avoided or mitigated; however, since uncertainty exists as to the extent of mitigation that other agencies will require at the site- and project-specific level, the Board is conservatively considering certain impacts to be potentially significant and unavoidable. The Board finds that despite the potential for adverse environmental impacts associated with the Proposed Regulation, benefits of the proposed actions are determined to be overriding considerations that warrant approval of the Proposed Regulation and outweigh and override its unavoidable significant impacts. Each benefit set forth below constitutes an overriding consideration warranting approval of the project, independent of the other benefits, despite each and every unavoidable impact. These benefits include:

1. Accelerate the deployment of zero-emission forklifts (ZEF), which achieve the maximum emissions reduction possible to assist in the attainment of National Ambient Air Quality Standards (NAAQS) for criteria air pollutants (Health and Safety Code Sections 43000.5[b], 43018[a]).
2. Decrease and eliminate emissions from petroleum and fossil-fuel use by forklifts by setting standards that eliminate exhaust emissions from forklifts.

3. Decrease GHG emissions in support of statewide GHG reduction goals by adopting strategies to deploy ZEFs in California to support the Scoping Plan, which was developed to reduce GHG emissions in California, as directed by AB 32 (Nunez, Chapter 488, Statutes of 2006).
4. Maintain and continue reductions in emissions of GHGs beyond 2020, in accordance with SB 32 (Health and Safety Code Sections 38551[b], 38562, 38562.5, 38566).
5. Achieve emission reductions that are real, permanent, quantifiable, verifiable, and enforceable (Health and Safety Code Sections 38560, 38562[d][1]).
6. Provide market certainty for ZE technologies and charging and hydrogen-fueling infrastructure to guide the acceleration of the development of environmentally superior ZEFs that will continue to deliver performance, utility, and safety demanded by the market.
7. Take steps to ensure all Californians can live, work, and play in a healthful environment free from harmful exposure to air pollution. Protect and preserve public health and well-being, and prevent irritation to the senses, interference with visibility, and damage to vegetation and property (Health and Safety Code Section 43000[b]).

Location and Custodian of The Record

The documents and other materials that constitute the record of proceedings on which these findings are based are at 1001 I Street Sacramento, CA 95814. The custodian for these documents is the California Air Resources Board Legal Office, inquiries can be submitted to CaliforniaEnvironmentalQualityAct@arb.ca.gov.