

# Refineries' Lawsuits



- 2 separate lawsuits: one by Chevron, one by MRC
- Claim that Air District failed to comply with CEQA
- Claim that Rule is too expensive and costs were not properly evaluated
- Trial was scheduled for February 29<sup>th</sup>

# Chevron Settlement: Rule 6-5 Provisions



- Chevron dops its lawsuit – will comply with the Rule 6-5 PM emissions limit
- Chevron expects it will need additional pollution control equipment to comply
- Required timeline for permitting and constructing equipment:
  - Submit permit application to City of Richmond by August 2024
  - Obtain all permits by July 2027
  - Complete construction by July 2029
  - One-year extension in event of litigation/permitting delays beyond Chevron’s control
- Interim PM emission reductions at Chevron’s FCCU
- Community Air Quality Fund to reduce PM exposures around the refinery
  - **\$20 million** initial payment – can start funding projects immediately
  - **\$3.5 million/yr** after July 2026 while Chevron installing pollution control equipment
- Fines for PM emissions from FCCU:
  - **\$17 million/yr** per year after July 2026 while Chevron installing equipment
  - **\$32 million** for fourth year if permitting deadline extended a year

# Chevron Settlement: Other Violations



- Chevron pays **\$20 million** fine for 678 other violations
- Chevron must implement compliance measures to address flaring concerns:
  - Automated flare monitoring
  - Automated flare gas management system
  - Operator training to better prevent flaring events
  - Flare prevention/minimization assessment
  - Publish information about flaring events on Chevron website
  - Community Action Plan to provide information on flaring and hear community feedback