



BOARD OF DIRECTORS
AD HOC REFINERY OVERSIGHT COMMITTEE

COMMITTEE MEMBERS

BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

CINDY CHAVEZ - CHAIR
MARGARET ABE-KOGA
CAROLE GROOM
MARK ROSS
ROD SINKS
SHIRLEE ZANE

NATE MILEY - VICE-CHAIR
JOHN BAUTERS
HILLARY RONEN
PETE SANCHEZ
JIM SPERING

WEDNESDAY
JULY 25, 2018
9:30 A.M.

1ST FLOOR YERBA BUENA, ROOM #109
375 BEALE STREET
SAN FRANCISCO, CA 94105

AGENDA

1. **CALL TO ORDER - ROLL CALL**
PLEDGE OF ALLEGIANCE
PUBLIC MEETING PROCEDURE

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members. The Committee Chair shall lead the Pledge of Allegiance.

This meeting will be webcast. To see the webcast, please visit www.baaqmd.gov/bodagendas at the time of the meeting. Closed captioning may contain errors and omissions, and are not certified for their content or form.

Public Comment on Agenda Items: *The public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.*

Speakers may speak for up to three minutes on each item on the Agenda. However, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

Staff/Phone (415) 749-

2. APPROVAL OF THE MINUTES OF APRIL 9, 2018

Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Ad Hoc Refinery Oversight Committee meeting of April 9, 2018.

3. TRENDS IN CRUDE OIL IMPORTS, PETROLEUM REFINING, CRUDE OIL TRANSPORTATION AND AN OUTLOOK FOR FUTURE PETROLEUM MARKETS

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive a presentation on California trends in crude oil imports, petroleum refining, and crude oil transportation as well as an outlook on petroleum markets.

4. ISSUES AND CONCERNS REGARDING FUTURE REFINERY CRUDE SLATES

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive an update on information regarding the Bay Area refineries' existing crude slates, that provides context for concerns about tar sands and other potential crude sources.

5. THE LEGAL FRAMEWORK FOR THE AIR DISTRICT

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive a briefing on aspects of the Air District's legal authority.

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

Pursuant to Government Code Section 54954.3 Speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed up to three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

7. **COMMITTEE MEMBER COMMENTS/OTHER BUSINESS**

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2).

8. **TIME AND PLACE OF NEXT MEETING**

At the Call of the Committee Chair.

9. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Ad Hoc Refinery Oversight Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District’s offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District’s policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District’s Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at rsanders@baaqmd.gov.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
375 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94105
FOR QUESTIONS PLEASE CALL (415) 749-4941**

**EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

JULY 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Executive Committee <i>(At the Call of the Chair)</i>	Monday	23	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i> - CANCELLED	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Ad Hoc Refinery Oversight Committee <i>(At the Call of the Chair)</i>	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	30	9:30 a.m.	1 st Floor Board Room

AUGUST 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Special Meeting as The Sole Member of The Bay Area Clean Air Foundation <i>(At the Call of the Chair)</i> - CANCELLED	Wednesday	1	9:00 a.m.	1 st Floor Board Room
Board of Directors Ad Hoc Building Oversight Committee Meeting <i>(At the Call of the Chair)</i>	Wednesday	1	9:00 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	1	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	15	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i> - CANCELLED	Wednesday	22	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> - CANCELLED	Thursday	23	9:30 a.m.	1 st Floor Board Room

SEPTEMBER 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	5	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	17	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee <i>(Meets on the 3rd Thursday of every other Month)</i>	Thursday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	26	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	27	9:30 a.m.	1st Floor, Yerba Buena Room #109
MV – 7/19/18 – 3:55 p.m.				G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Cindy Chavez and Members
of the Ad Hoc Refinery Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 11, 2018

Re: Approval of the Minutes of April 9, 2018

RECOMMENDED ACTION

Approve attached draft minutes of the Ad Hoc Refinery Oversight Committee (Committee) meeting of April 9, 2018.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting on April 9, 2018.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 2A: Draft Minutes of the Committee Meeting of April 9, 2018

AGENDA: 2A – ATTACHMENT

Draft Minutes – Ad Hoc Refinery Oversight Committee Meeting of April 9, 2018

Bay Area Air Quality Management District

375 Beale Street, Suite 600
San Francisco, California 94105
(415) 749-5073

DRAFT MINUTES

Summary of Board of Directors
Ad Hoc Refinery Oversight Committee Meeting
Monday, April 9, 2018

1. CALL TO ORDER – ROLL CALL

Ad Hoc Refinery Oversight Committee (Committee) Chairperson, Cindy Chavez, called the meeting to order at 9:36 a.m.

Present: Committee Chairperson, Cindy Chavez; and Directors Margaret Abe-Koga, and Rod Sinks.

Absent: Vice Chairperson Nate Miley; and Directors Pauline Russo Cutter, Carole Groom, Hillary Ronen, Mark Ross, Pete Sanchez, Jim Spering, and Shirlee Zane.

Also Present: Board of Directors (Board) Chairperson, David Hudson.

2. UPDATE ON THE ROLE OF THE AD HOC REFINERY OVERSIGHT COMMITTEE, BACKGROUND ON REFINERY OPERATIONS, AND APPLICABLE REGULATIONS IN THE BAY AREA

Jack P. Broadbent, Executive Officer/Air Pollution Control Officer, and Nicholas Maiden, Principal Air Quality Engineer, gave the staff presentation *Update on the Role of the Ad Hoc Refinery Committee, Background on Refinery Operations, and Applicable Regulations in the Bay Area*, including: Committee purpose; Air District staff and Board roles; refinery criteria emissions; types of permits; Bay Area petroleum refineries; crude oil; Canadian crude oil imports; petroleum refining; what are some emission sources; applicable Air District regulations; Regulation 11-18; and Regulation 12-15.

Public Comments:

Public comments were given by Andres Soto, Communities for a Better Environment (CBE); Perry Matlock, Indian People Organizing for Change (IPOC); Richard Gray, 350 Bay Area; Quanah Parker Brightman, United Native Americans; Tom Bertino, San Rafael resident; Gary Hughes, Friends of the Earth US; Pennie Opal Plant, Idle No More SF Bay; and Irene Dick-Endrizzi, San Francisco resident.

Committee Comments:

The Committee and staff discussed the circumstances that led to the need for this committee, the request for delineation between roles of this committee and the Stationary Source Committee on the District website, how Board members were selected to serve on this committee, and the clarification that this committee makes recommendations directly to the Board; and the concern that only three of the eleven Committee members were present.

3. PROJECT OVERVIEW AND PERMIT STATUS OF BAY AREA REFINERY PROJECTS

Damian Breen, Deputy Air Pollution Control Officer, introduced Carol Lee, Senior Air Quality Engineer, who gave the staff presentation *Project Overview and Permit Status of Bay Area Refinery Projects*, including: presentation overview; Tesoro refinery in Martinez and Low Carbon Intensity Fluid Catalytic Cracking Unit Feed project; Phillips 66 refinery in Rodeo, uncracker project description and permit impacts, Marine Terminal project description, permit challenges, CEQA, and comments received; refineries in the Bay Area; Title V renewal applications; and how does the public access more information.

Public Comments:

Public comments were given by Greg Karras, CBE; Richard Gray, 350 Bay Area; Alberto Saldamando, Indigenous Environmental Network; Nancy Rieser, Crockett Rodeo United to Defend the Environment; Jeff Kilbreth, Richmond Progressive Alliance; Ben Eichenberg, San Francisco Baykeeper; David McCoard, Sierra Club; Mariah Lazalde, Youth Vs. Apocalypse; Carolyn Noor, 350 Bay Area; Steve Nadel, Sunflower Alliance; Andrew Bear, Buddhist Climate Action Network; Shayanne Hendricks, Amazon Watch; Sheridan Noelani Enomoto, Greenaction for Health and Environmental Justice (GHEJ); Nancy Feinstein, 1000 Grandmothers; Gary Hughes, Friends of the Earth US; Pennie Opal Plant, Idle No More SF Bay; Barbara Rhine, Idle No More; Julie Carter, California Nurses Association; Charles Davidson, Sunflower Alliance; Camille Stough, CBE; Perry Matlock, IPOC; Anita Kline, San Francisco resident, Adriana Diaz-Flores, CBE; Amy Hutto, Idle No More; Amanda Bloom, Idle No More; Niria Alicia, GHEJ; Briana Ruiz, Idle No More; Josselyn Torres, Idle No More; Lysandra Nelson, Idle No More; Karen Flittie, Idle No More; Mara Chavez, Idle No More; Jennifer Brass, Idle No More; Isabella Zizi, Idle No More; Claire Schoen, 1000 Grandmothers; Allison Ehara-Brown, Idle No More; Paul Ehara, Richmond resident; Richard Bell, El Cerrito Progressives; Daniel Ilario, Idle No More; Tyler Earl, CBE; Zolboo Namkhaidorj, CBE; Natasha Dedrick, San Francisco resident; Lynn Eggers, San Francisco resident; Joanna Harman, Petaluma 350.org; and Norm Sands, Idle No More.

Committee Comments:

The Committee and staff discussed the possibility of Contra Costa County taking over the District's current role of California Environmental Quality Act (CEQA) lead agency for the Phillips 66 Marine Terminal project, and the District's preference for that transition; the request for an explanation of the permitting authority within the District's discretion, including how Regulation 12-15 (Petroleum Refining Emissions Tracking) applies; whether tar sands are coming

to the Bay Area, or have already arrived in the Bay Area (and where); the concern that staff presentation time durations are being compromised to accommodate large volumes of public comment speakers; the suggestion that representatives from the Association of Bay Area Governments and the Bay Area Regional Collaborative be invited to these meetings, or request that this item be presented at other regional agencies' meetings; the need to use the 2017 Clean Air Plan to address regional energy in partnership with other local government jurisdictions and community choice agencies and create a shared policy framework around purchasing and procurement strategies; and the shift from fossil fuels to sustainable alternative fuel sources.

Committee Action:

None; receive and file.

4. PUBLIC COMMENT ON NON-AGENDA MATTERS

Public comments were given by Jan Warren, Interfaith Climate Action Network of Contra Costa County; and Jimmy Mankind, Poets of Frisco.

5. COMMITTEE MEMBER COMMENTS

None.

6. TIME AND PLACE OF NEXT MEETING

The next Ad Hoc Refinery Oversight Committee meeting will be at the call of the Chair.

7. ADJOURNMENT

The meeting adjourned at 12:43 p.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Cindy Chavez and Members
of the Ad Hoc Refinery Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 11, 2018

Re: Trends in Crude Oil Imports, Petroleum Refining, Crude Oil Transportation and an
Outlook for Future Petroleum Markets

RECOMMENDED ACTION

None; receive and file.

SUMMARY

The California Energy Commission (CEC) is the agency responsible for identifying and assessing major energy trends and issues in California, including those associated with crude oil markets and the refining of crude oil within the State of California.

DISCUSSION

Mr. Gordon Schremp, Senior Fuels Specialist who advises the Commissioners, Executive Officer, Governor's Office and Legislature, will present information on trends in crude oil imports, petroleum refining, and crude oil transportation as well as an outlook of petroleum markets.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectively submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Pamela Leong
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Cindy Chavez and Members
of the Ad Hoc Refinery Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 11, 2018

Re: Issues and Concerns Regarding Future Refinery Crude Slates

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Environmental advocacy groups have raised concerns about future crude supplies to Bay Area refineries, and their potential impact on air emissions. Regulation 12, Rule 15: Petroleum Refinery Emissions Tracking was adopted on April 20, 2016, to provide consistent information on refinery raw material inputs, and air emissions.

The Carnegie Endowment for International Peace has also developed an Oil Climate Index to compare greenhouse gas impacts for a wide variety of crudes, including the impacts from energy required to produce the crude and ship it to refineries; the impacts from the energy required to refine and market the crude, and the impacts from end use of the resulting power and transportation fuels.

DISCUSSION

Air District staff will provide a summary of the information obtained regarding crude slates processed at Bay Area refineries and speak to the issues and concerns about future crude supplies and their potential impact on air emissions.

Air District staff also will present information that provides context for understanding the concerns about tar sands crudes and other potential crude sources as future replacements for declining volumes of California-based crudes. Staff will also explain how the Oil Climate Index and individual crude oil yield structures provide a frame of reference to compare the wide variety of crudes available.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Guy Gimlen
Reviewed by: Victor Douglas

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Cindy Chavez and Members
of the Ad Hoc Refinery Oversight Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 16, 2018

Re: The Legal Framework for the Air District

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Several Board members have requested information on aspects of the Air District's legal authority. This presentation will provide an overview of the topic.

DISCUSSION

Staff will discuss the legal framework in which the Air District operates and the legal authorities granted and obligations imposed by that framework.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian Bunger