



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
STATIONARY SOURCE COMMITTEE

COMMITTEE MEMBERS

JOHN GIOIA - CHAIR  
DAVID CANEPA  
SCOTT HAGGERTY  
KAREN MITCHOFF  
ROD SINKS  
SHIRLEE ZANE

PETE SANCHEZ – VICE CHAIR  
CAROLE GROOM  
NATE MILEY  
MARK ROSS  
BRAD WAGENKNECHT

MONDAY  
MAY 21, 2018  
9:30 A.M.

1<sup>ST</sup> FLOOR BOARD ROOM  
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](http://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.*

2. **APPROVAL OF THE MINUTES OF MARCH 19, 2018**

Clerk of the Boards/5073

*The Committee will consider approving the draft minutes of the Stationary Source Committee meeting of March 19, 2018.*

3. **UPDATE ON THE PRELIMINARY BEST AVAILABLE RETROFIT CONTROL TECHNOLOGY (BARCT) EVALUATION AND IDENTIFICATION OF POTENTIAL RULE DEVELOPMENT PROJECTS**

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Committee will receive an update on the preliminary BARCT evaluation and identification of potential rule development projects as required by Assembly Bill (AB) 617.*

4. **UPDATE ON THE AIR DISTRICT'S BASIN-WIDE METHANE STRATEGY**

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Committee will receive an update on the Air District's Basin-Wide Methane Strategy including efforts to develop a rule to limit significant methane releases and collaboration with state agencies on their methane rules under development.*

5. **UPDATE ON REGULATION 11, RULE 18 – REDUCTION OF RISK FROM AIR TOXIC EMISSIONS AT EXISTING FACILITIES**

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Committee will receive an update on the current status of the implementation of Regulation 11, Rule 18.*

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**

*Any member of the Board, 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**

*Monday, July 16, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 10:30 a.m.*

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](mailto:vjohnson@baaqmd.gov)

**(415) 749-4941**  
**FAX: (415) 928-8560**  
**BAAQMD homepage:**  
[www.baaqmd.gov](http://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 “Stationary Source 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](http://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](mailto: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**

**MAY 2018**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	23	9:30 a.m.	1st Floor, Yerba Buena Room #109

<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	24	9:30 a.m.	1 <sup>st</sup> Floor Board Room
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**JUNE 2018**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Climate Protection Committee</b> <i>(Meets on the 3<sup>rd</sup> Thursday of every other Month)</i>	Monday	4	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	6	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Executive Committee</b> <i>(At the Call of the Chair)</i>	Monday	18	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	20	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Technology Implementation Office Steering Committee</b> <i>(At the Call of the Chair)</i>	Thursday	21	1:00 p.m.	1st Floor, Ohlone Room #107
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	27	9:30 a.m.	1st Floor, Yerba Buena Room #109
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	28	9:30 a.m.	1 <sup>st</sup> Floor Board Room

## JULY 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	4	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of every other Month)</i>	Monday	16	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	18	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Climate Protection Committee</b> <i>(Meets on the 3<sup>rd</sup> Thursday of every other Month)</i>	Thursday	19	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	26	9:30 a.m.	1 <sup>st</sup> Floor Board Room
JW – 5/8/18 – 11:20 a.m.				G/Board/Executive Office/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson John Gioia and Members  
of the Stationary Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 7, 2018

Re: Approval of the Minutes of March 19, 2018

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RECOMMENDED ACTION

Approve the attached draft minutes of the Stationary Source Committee (Committee) meeting of March 19, 2018.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of March 19, 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 March 19, 2018

## AGENDA: 2A – ATTACHMENT

Draft Minutes – Stationary Source Committee Meeting of March 19, 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  
Stationary Source Committee Meeting  
Monday, March 19, 2018

#### 1. CALL TO ORDER – ROLL CALL

Stationary Source Committee (Committee) Chairperson John Gioia called the meeting to order at 9:35 a.m.

**Opening remarks:** Chair Gioia announced that this agenda was to originally include an item entitled *General Update of Bay Area Refinery Projects*, but that the Chairperson of the Board of Directors wished to instead discuss that item at the first meeting of the District's Ad Hoc Refinery Oversight Committee, on April 9, 2018.

Present: Committee Chairperson, John Gioia; Vice Chairperson, Pete Sanchez; and Directors David Canepa, Scott Haggerty, Nate Miley, Karen Mitchoff, Mark Ross, and Brad Wagenknecht.

Absent: Directors Carole Groom, Rod Sinks, and Shirlee Zane.

Also Present: None.

#### 2. APPROVAL OF THE MINUTES OF DECEMBER 18, 2017

##### Public Comments:

No requests received.

##### Committee Comments:

None.

##### Committee Action:

Director Canepa made a motion, seconded by Director Mitchoff, to approve the Minutes of December 18, 2017; and the motion carried by the following vote of the Committee:

AYES: Canepa, Gioia, Haggerty, Mitchoff, and Sanchez.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Groom, Miley, Ross, Sinks, Wagenknecht, and Zane.



**3. PUBLIC COMMENT ON NON-AGENDA MATTERS (Out of Order, Item 5)**

Public comments were given by David McCoard, El Cerrito resident; Nancy Rieser, Crockett-Rodeo United to Defend the Environment; Sarah Greenwald, 350, San Francisco; Rose Arrieta, Causa Justa; Jed Holtzman, 350 Bay Area; Sara Shor, 350.org; Andres Soto, Communities for a Better Environment (CBE); Isabella Zizi, Idle No More (INM); Peter Anderson, 350 Marin; Hon. Eduardo Martinez, City of Richmond; Mara Chavez, INM; Alison Ehara-Brown, Indigenous Women of the Americas Defending Mother Earth; Jan Warren, Interfaith Climate Action Network of Contra Costa; Betsy Thagard, Fossil Free CA; Steve Nadel, Sunflower Alliance; Jeff Kilbreth, Richmond Progressive Alliance; Curtis Wu, Piedmont resident; Alberto Sandamando, Indigenous Environmental Network; Nancy Feinstein, 1000 Grandmothers; Don Bristol, Phillips 66; Tyson Bagley, United Steel Workers Local 326; Sylvia Hopkins, CBE; Richard Black, USW Local 326; Gary Hughes, Friends of the Earth US; Corey Van Geldon, INM; Elieen Schatz, 350.org; Ashley Lauth, Center for Biological Diversity; Charles Davidson, Sunflower Alliance; Susan Quinlan, Berkeley resident; Ann Jo Foo, SF Berniecrats; Ross Hammond, Stand.Earth; Greg Karras, CBE; Ellen Holmes, San Francisco resident; A. Bird, INM; Zolboo Namkhaidorj; Ana Ramirez, CBE; Pennie Opal Plant, INM; Jennifer Brass, INM; Adriana Diaz-Flores, CBE; Mike Miller, USW; Carolyn and Lalo Norr; Jason Pfeifle, Center for Biological Diversity; Margie Lewis, CBE; Gabrielle Sloane Law, CBE; Mike Avila, Phillips 66; Esther Goolsby, CBE; Bill Pinkham, Sunflower Alliance; Roxana Ramirez, CBE; and Peter Alexander.

NOTED PRESENT: Director Wagenknecht was noted present at 9:45am; Director Ross was noted present at 9:55am; and Director Miley was noted present at 10:41am.

Committee Comments:

The Committee and staff discussed the function of Title V permits, the fact that no increases may occur in a Title V permit, and which sources/facilities are required to have Title V permits; the District's renewal of the Title V permit for the Phillips 66 refinery in Rodeo in January 2018, which did not include any increases in throughput to the existing 65,000 barrel/day gas oil limit, nor any expansions in permitting action, and the District's acknowledgement of a transpositional error in Table 2-A of the August 2014 permit, which has since been corrected in the January 2018 Title V permit; which agency (Contra Costa County or the District) will act as the lead for the California Environmental Quality Act analysis regarding the Phillips 66 refinery permit application to increase crude and gas oil brought by ship or barge to the Marine Terminal, and the anticipated timeline for the application review process; the request that staff notifies the Board members when Title V permits are renewed or newly issued; the request for a presentation on fracking; and concern for uncivilized behavior and lack of respect from public speakers.

**4. UPDATE ON THE PRELIMINARY BEST AVAILABLE RETROFIT CONTROL TECHNOLOGY EVALUATION AND IDENTIFICATION OF POTENTIAL RULE DEVELOPMENT PROJECTS (ITEM 3)**

Due to the length of public comment on non-agenda matter, this item was tabled until May 21, 2018.

**5. UPDATE ON THE AIR DISTRICT’S BASIN-WIDE METHANE STRATEGY (ITEM 4)**

Due to the length of public comment on non-agenda matter, this item was tabled until May 21, 2018.

**6. COMMITTEE MEMBER COMMENTS**

None.

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

Monday, May 21, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

**8. ADJOURNMENT**

The meeting adjourned at 11:49 a.m.

Marcy Hiratzka  
Clerk of the Boards

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson John Gioia and Members  
of the Stationary Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 7, 2018

Re: Update on the Preliminary Best Available Retrofit Control Technology (BARCT)  
Evaluation and Identification of Potential Rule Development Projects

**RECOMMENDED ACTION**

None; receive and file.

**BACKGROUND**

Recently adopted legislation, Assembly Bill (AB) 617, requires air districts to focus on communities disproportionately impacted by air pollution, such as those communities identified under the Air District's Community Air Risk Evaluation (CARE) Program. AB 617 also requires air districts in non-attainment of ambient air quality standards to conduct a best available retrofit control technology (BARCT) evaluation of sources at facilities subject to the AB 32 Cap-and-Trade program and determine which sources are suitable for rule development.

In conducting this evaluation, Air District staff developed a list of potentially affected facilities, sources, and emissions from the 2016 Reporting Year Emissions Inventory. This evaluation indicated that the Bay Area has 80 facilities, subject to Cap-and-Trade, which encompass 3,246 individual sources in 61 source categories. Staff's process for developing the schedule of potential rule development projects involved 1) screening out sources with limited potential emission reductions, 2) screening out sources already subject to recent BARCT rules, 3) conducting preliminary BARCT evaluations, and 4) identifying and prioritizing potential BARCT rule development projects.

Based on this process, 11 potential rule development projects have been identified as candidates for the Expedited BARCT Implementation Schedule. Potential Rule Development Projects, including cement manufacturing (PM and SO<sub>2</sub>), storage tanks (ROG), refinery fuel gas (SO<sub>2</sub>), refinery fluid catalytic crackers and CO boilers (PM and SO<sub>2</sub>), refinery heavy liquid leaks (ROG), internal combustion (reciprocating) engines (ROG), fiberglass manufacturing (PM and NO<sub>x</sub>), landfills (PM and ROG), refinery wastewater treating (ROG), foundries (SO<sub>2</sub>), and coke calcining (NO<sub>x</sub>).

Through this process, staff also identified 15 other potential rule development projects for the remaining sources and source categories. These projects are not being proposed at this time

because the potential emission reductions would be relatively small (less than ten tons per year) and are anticipated to have low impact on local communities. Action on these potential rule development projects are more appropriately considered during the next phase when rules will be developed as part of local Community Action Plans.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Resources to implement the BARCT requirements of AB 617 are included in the proposed FYE 2019 Budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: David Joe  
Reviewed by: Victor Douglas

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson John Gioia and Members  
of the Stationary Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 7, 2018

Re: Update on the Air District's Basin-Wide Methane Strategy

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**RECOMMENDED ACTION**

None; receive and file.

**BACKGROUND**

The latest science has underscored the need to reduce emissions of short-lived greenhouses gases (GHG) in order to avoid the worse impacts of climate change (IPCC, 2014). Methane (CH<sub>4</sub>) is a potent but short-lived GHG. It is 86 times more potent than carbon dioxide (CO<sub>2</sub>) when compared on a 20-year time horizon and it has a much shorter atmospheric lifespan of 12 years (vs. 20 – 200 years for CO<sub>2</sub>) (IPCC, 2014). Due to these factors, actions to reduce methane emissions can provide significant and immediate climate benefits while CO<sub>2</sub> emissions are steadily reduced to achieve long-term climate stability. Curbing methane emissions would also reduce emissions of its co-pollutants, which can include key climate, criteria, and toxic pollutants, resulting in improvements to public health and further climate benefits.

In recognition of these benefits, the Air Resources Board (ARB) adopted a short-lived climate pollutant (SLCP) reduction strategy for the State of California in March 2017. The strategy addresses emissions of methane (and other SLCPs) not intended to be reduced by ARB's Cap-and-Trade program. The SLCP Strategy was developed to help the State achieve its goal of reducing methane (and other SLCP) emissions 40 percent by the year 2030, set by SB 1383. In the document, ARB emphasizes the critical role that air districts can play in the success of the State's strategy by implementing short-lived climate pollutant emission reduction strategies in their own jurisdictions.

Methane is the second leading GHG in the Bay Area Air District. In 2015, sources in the Air District emitted an estimated 10 million metric tons of CO<sub>2</sub> equivalent (MMT CO<sub>2</sub>e), about 10 percent of the GHG inventory. According to a recent study commissioned by the Air District to evaluate its methane inventory (Fischer and Jeong, 2016), three source categories represent approximately 84 percent of these emissions. These categories are mainly related to human activities; landfills are the largest source category by far, accounting for 53 percent of these emissions, followed by livestock (16 percent), and natural gas production and distribution (15 percent). These emissions estimates carry a large uncertainty (50 percent or more), consistent with a recent study that suggests that methane emissions in the Air District's "bottom-up"

inventory are 1.5 – 2 times lower than expected from top-down measurements (Fairley and Fischer, 2015). This “methane gap” has been repeatedly observed for the U.S. and California regions, where top-down observations that account for ambient methane concentrations suggest that there are large, unaccounted methane emissions that are not reflected in the bottom-up inventories.

Given the importance and potential co-benefits of controlling methane, the Air District has included a comprehensive basin-wide Methane Strategy (measure SS16) as part of its 2017 Clean Air Plan.

## DISCUSSION

The Methane Strategy seeks to better quantify and reduce emissions of methane, and its co-pollutants, from all sources throughout the Air District, in support of ARB’s methane reduction goals. The Methane Strategy will accomplish these objectives by combining research, rulemaking, collaborations with state agencies, and other efforts such as incentive programs.

Elements of this strategy will include: 1) intensifying efforts to improve the Air District’s methane emissions inventory, 2) developing a rule to prohibit significant methane releases throughout the Air District as a backstop while source-specific rules are developed, 3) collaborating with state agencies on their methane rules under development, 4) identifying cost effective and technically feasible methane emissions reduction opportunities throughout the Bay Area, and 5) considering the removal of methane exemptions from existing Air District rules when appropriate.

Staff will present an update on the Methane Strategy efforts, including progress on the Air District’s first methane rule (Regulation 13, Rule: Significant Methane Releases), and describe new initiatives such as the development of an Organics Recovery Strategy.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Idania Zamora  
Reviewed by: Victor Douglas

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson John Gioia and Members  
of the Stationary Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 7, 2018

Re: Update on Regulation 11, Rule 18 – Reduction of Risk from Air Toxic Emissions at  
Existing Facilities

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**RECOMMENDED ACTION**

None; receive and file.

**BACKGROUND**

The Air District adopted Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities on November 15, 2017. Rule 11-18 is the most health protective regulation in the nation to address community health risks from toxic air contaminants emitted by stationary sources. The Air District will use air dispersion modeling and the latest science from the Office of Environmental Health Hazard Assessment (OEHHA) to evaluate health risks to communities from existing facilities. The key health risk measures are: cancer risk, which is the increased probability of contracting cancer due to a specific exposure scenario, and hazard index, which is an indicator of non-cancer health effects for specific exposure scenarios.

If health risks exceed Rule 11-18 risk action levels, facilities will be required to either:

- (a) Reduce health risks below the risk action levels: a cancer risk of 10 in a million and a non-cancer hazard index of 1.0, or
- (b) Install best available retrofit control technology for toxics (TBARCT) on all significant sources.

**DISCUSSION**

Regulation 11, Rule 18 will rely on the results of a District-approved Health Risk Assessment (HRA) to determine the applicability of the risk reduction requirements of this rule. The Air District will use a screening process called Facility Prioritization to determine which facilities need to have a site-wide HRA. The Rule 11-18 Implementation Flow Chart (Attachment 5A) gives an overview of the implementation steps and identifies public comment opportunities.

The Air District has convened a Rule 11-18 Implementation Workgroup to ensure transparency during the implementation of Rule 11-18. This workgroup includes representatives from

environmental and health organizations, industry groups, refineries, and Air District staff (Attachment 5B). The role of this workgroup is to identify educational and informational needs and provide industry and community perspectives during the implementation process, and facilitate communication with affected communities. The first meeting of the Rule 11-18 Implementation Workgroup occurred on April 30, 2018 with about 20 attendees. The Executive Officer/APCO explained the role of this Implementation Workgroup and a separate Technical Dispute Resolution Committee. The Implementation Workgroup will provide input to staff on the implementation process, while the Dispute Resolution Committee will resolve disputes over highly technical issues such as appropriate emission factors, feasibility of abatement technology for a specific source, or cost effectiveness of controls. Staff discussed the implementation procedures and the status of the implementation process to date. The Implementation Workgroup expects to meet on a quarterly basis with the next meeting in July 2018.

The Air District will implement Rule 11-18 in two phases. The first phase will apply to facilities with the highest potential for health risks. The second phase will include all other facilities that may be subject to Rule 11-18. To implement this rule, staff has devised a set of Implementation Procedures that are currently under review by the Implementation Workgroup.

The implementation schedule for Phase I facilities is presented in Attachment 5C. After an initial prioritization, the facilities will be asked to review and correct their toxic emissions inventory and to supply information needed for the HRA. The Air District staff will validate all requested changes and new data. After District approval of the updated toxic emissions inventory data, the Air District will re-calculate the site's prioritization score. Sites with a prioritization score above a threshold will be required to have an HRA. The Air District initiated a data review and validation process on April 24, 2018. The data for facility review will be sent out to sites in small batches over the next few months.

While facilities are conducting their review of their emissions inventory and emissions release data, the Air District is updating its infrastructure and improving its web site. Several projects are underway to improve its facility data collection and storage processes, to add additional search functions for prioritization scores and health risk assessment results, and to add report functionality to support Rule 11-18 needs. In addition, the Air District is updating the web site by reorganizing the web pages, consolidating air toxics and health risk information into one location, adding instructional webinars, and creating a searchable facility status report to aid both industry and communities as we navigate through implementation of Rule 11-18 and other community health protection programs, such as AB 617. Staff expects web site updates to be ready by June. Staff also expects to begin conducting health risk assessments by this summer.



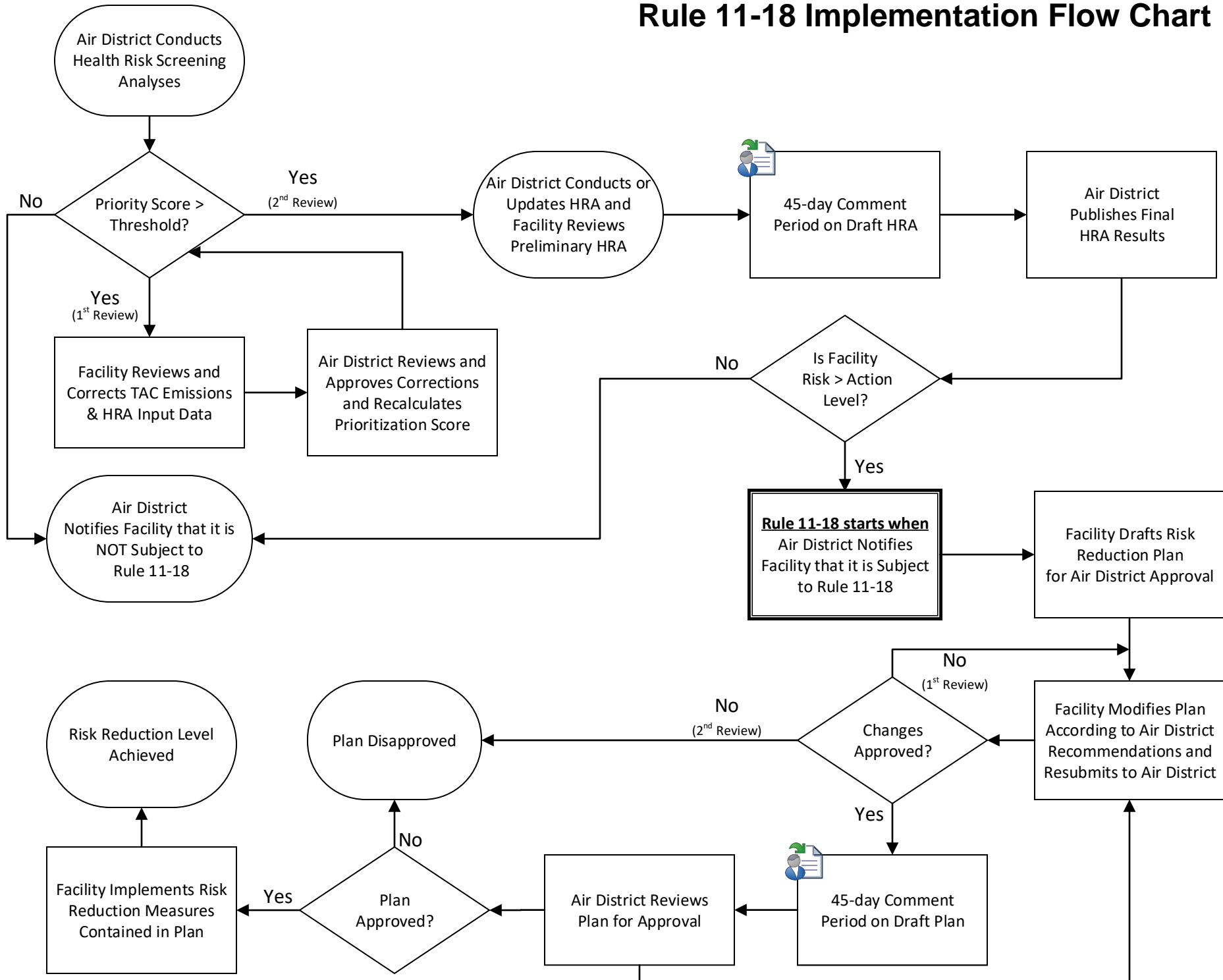
Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Carol Allen  
Reviewed by: Sanjeev Kamboj  
Pam Leong  
Damian Breen

Attachment 5A: Rule 11-18 Implementation Flow Chart  
Attachment 5B: Rule 11-18 Implementation Workgroup Members (Attachment 2)  
Attachment 5C: Rule 11-18 Implementation Schedule for Phase I Facilities (Appendix 3)

## Rule 11-18 Implementation Flow Chart



**REGULATION 11 RULE 18 – IMPLEMENTATION WORKING GROUP MEMBERS**

<b>Name</b>	<b>Affiliation</b>
Pam Leong	BAAQMD
Sanjeev Kamboj	BAAQMD
Carol Allen	BAAQMD
Liz Yura	BAAQMD
Judith Cutino	BAAQMD
Phil Martien	BAAQMD
Patrick Wenzinger	BAAQMD
Robert Blount	UCSF
Alvaro Casanova	CEH
Iven Jimenez	Brightline Defense
Tanya Stevenson	Breathe California
Fern Uennatornwarangoon	EDF
Gary Latshaw	Sierra Club
Kevin Buchan	WSPA
Janet Whittick	CCEEB
Courtney Mizutani	BACWA
James Simonelli	CMC
Todd Osterberg	Chevron
Kathy Wheeler	Shell
Iren Suhami	Valero
Chris McDowell	Andeavor
Brent Eastep	Phillips 66

**Rule 11-18 Implementation Schedule for Phase I Sites**

Implementation Steps:	2018				2019				2020				2021-2025
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	
Build Additional Infrastructure													
Review, Correct, Approve Emissions and Input Data													
Conduct and Review HRAs													
Notify Sites Subject to Rule 11-18													
Review and Approve Risk Reduction Plans													
Implement Risk Reduction Measures: Phase I (43 Sites)													

Key:

- Air District Infrastructure Activities
- Phase I Sites - Prior to Rule 11-18 Applicability
- Phase I Sites - After Rule 11-18 Becomes Applicable