



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
JULY 30, 2018
9:30 A.M.

1ST FLOOR BOARD ROOM
375 BEALE STREET
SAN FRANCISCO, CA 94105

VIDEO CONFERENCE LOCATION
SANTA ROSA JUNIOR COLLEGE
DOYLE LIBRARY, ROOM 4248
1501 MENDOCINO AVENUE
SANTA ROSA, CA 95401

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.*

For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have two minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.

2. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3 *For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have two minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.*

Staff/Phone (415) 749-

3. **APPROVAL OF THE MINUTES OF MAY 21, 2018**

Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Stationary Source Committee meeting of May 21, 2018.

4. **AIR POLLUTION COMPLAINT PROCESS OVERVIEW**

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive an overview of the Air District's complaint process. The presentation will include a discussion of: how complaints are received and dispatched; complaint types; investigations; reporting and next steps.

5. **OVERVIEW OF REGULATION 7: ODOROUS SUBSTANCES RULE AMENDMENT CONCEPTS**

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive an overview of Regulation 7: Odorous Substances Rule Amendment Concepts and its current applicability and standards as well as the initial concepts and strategies for amending the regulation.

6. **UPDATE ON IMPLEMENTATION OF ASSEMBLY BILL (AB) 617
COMMUNITY AIR PROTECTION PROGRAM**
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive an update of the Air District's implementation of (AB) 617 Community Air Protection Program. The topic will include a discussion of staff recommendations with further studies and evaluation.

7. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

Speakers who did not have the opportunity to address the Board in the first round of comments on non-agenda matters will be allowed two minutes each to address the Board on non-agenda matters.

8. **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)

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

Monday, September 17, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

10. **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 “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 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 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) - CANCELLED</i>	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
KG – 7/26/18 – 2:15 p.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: July 16, 2018

Re: Approval of the Minutes of May 21, 2018

RECOMMENDED ACTION

Approve the attached draft minutes of the Stationary Source Committee (Committee) meeting of May 21, 2018.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of May 21, 2018.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 3A: Draft Minutes of the Committee Meeting of May 21, 2018

AGENDA: 3A – ATTACHMENT

Draft Minutes – Stationary Source Committee Meeting of May 21, 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, May 21, 2018

1. CALL TO ORDER – ROLL CALL

Stationary Source Committee (Committee) Chairperson John Gioia called the meeting to order at 9:32 a.m.

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

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

Also Present: Board of Directors Chairperson, David Hudson.

2. APPROVAL OF THE MINUTES OF MARCH 19, 2018

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

Director Haggerty made a motion, seconded by Director Wagenknecht, to approve the Minutes of March 19, 2018; and the motion carried by the following vote of the Committee:

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

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

Greg Nudd, Deputy Air Pollution Control Officer of Policy, introduced David Joe, Senior Engineer, who gave the staff presentation *Update on the Assembly Bill (AB) 617-Required BARCT Review*, including: outline; overview of AB 617 requirements; BARCT schedule requirements; expedited BARCT implementation schedule; sources analyzed for Best Available Control Technology (BACT); BARCT determination process; potential, priority, and other rule development project priorities; project plans; and summary.

NOTED PRESENT: Director Ross was noted present at 9:48 a.m.

Public Comments:

Public comments were given by Jed Holtzman, 350 Bay Area; and Bill Quinn, California Council for Environmental and Economic Balance.

Committee Comments:

The Committee and staff discussed whether BARCT requirements are applicable to *all* stationary source facilities, or only stationary source facilities that are subject to the Cap and Trade program; who may define ‘reasonable bounds’ of cost-effectiveness of the BARCT determination process, how the State mandate currently defines ‘reasonable bounds’, and how the BARCT cost-effectiveness of one California air district cannot be compared to another; whether quantifications of statewide emission reductions in various categories have been determined; and the request that public input on the BARCT plan is collected sooner than July/August so that the results can be shared at the Stationary Source Committee in August.

Committee Action:

None; receive and file.

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

Mr. Nudd introduced Dr. Idania Zamora, Senior Engineer, who gave the staff presentation *Update on the Air District’s Basin-Wide Methane Strategy*, including: outline; why focus on methane; methane in the Bay Area; coordination framework; methane emissions inventory: identifying underestimated methane sources; tier 1: estimating facility-wide emissions; tier 2: locating emissions inside facilities; tier 3: measuring source emissions; organics recovery strategy; regulatory efforts; and 2018 methane rules.

Public Comments:

Public comments were given by Don Cuffel, Valero; and Jed Holzman, 350 Bay Area.

Committee Comments:

The Committee and staff discussed how the District’s Basin-Wide Methane Strategy works in tandem with methane initiatives of the California Air Resources Board (CARB); the comparison of methane emissions derived from landfills versus organic recovery systems; the obstacles of monitoring and regulating methane emissions from solid waste of livestock dispersed on hillsides in the Bay Area; the District’s regulation of and initiatives addressing methane emissions from wastewater facilities; the desire for landfill diversion; the difficulties of accurately estimating and reporting methane emissions; and the difference between a consumption-based greenhouse gas (GHG) emissions inventory versus a production-based inventory, and a future staff presentation on the District’s Bay Area consumption-based GHG inventory that will be presented at the next Climate Protection Committee meeting.

NOTED PRESENT: Director Miley was noted present at 10:50 a.m.

Committee Action:

None; receive and file.

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

Damian Breen, Deputy Air Pollution Control Officer of Technology, introduced Carol Allen, Engineering Division Assistant Manager, gave the staff presentation *Implementation Update on Regulation 11, Rule 18 – Reduction of Risk from Air Toxic Emissions at Existing Facilities*, including: outline; air toxics control programs; Rule 11-18 overview, key health risk measures, requirements, Implementation Workgroup, Technical Dispute Resolution Committee, implementation and staff flow chart; determine Rule 11-18 applicability; approve and implement risk reduction plans; schedule for Phase 1 sites; and next steps.

Public Comments:

Public comments were given by Jed Holtzman, 350 Bay Area.

Committee Comments:

The Committee and staff discussed the definition of ‘unreasonable economic burden’ on affected facilities; who will conduct the required health risk assessments for affected facilities; who will be on the Implementation Workgroup, and the request that this be clarified at a future Board meeting; and the selection process of the Technical Dispute Resolution Committee members.

Committee Action:

None; receive and file.

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

7. COMMITTEE MEMBER COMMENTS

None.

8. TIME AND PLACE OF NEXT MEETING

At the call of the Chair.

9. ADJOURNMENT

The meeting adjourned at 11:20 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: July 17, 2018

Re: Air Pollution Complaint Process Overview

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Annually, the Air District receives over 12,000 air pollution complaints from the members of the public. Complaints are concerns communicated to the Air District regarding the release or the potential release of air contaminants or other materials. Examples include smoke, odors, dust, and other particulate matter. Community members are aware of air pollution events and often provide the first warning of air quality problems. Air District staff continue to investigate every complaint to achieve early intervention on potential problems and allow the District to be proactive in protecting public health.

DISCUSSION

Staff will present an overview of the Air District's complaint process. The presentation will include a discussion of: how complaints are received and dispatched; complaint types; investigations; reporting; and next steps.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Patrick Wenzinger and Tracy Lee
Reviewed by: Wayne Kino

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: July 16, 2018

Re: Overview of Regulation 7: Odorous Substances Rule Amendment Concepts

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In 1970, the Air District was directed by the State Legislature to establish standards for the emission of identifiable odorous substances. On August 2, 1972, the Air District adopted Regulation 2, Division 15 - Odorous Substances, which set emissions limits for five odorous compounds. The rule was originally intended to reduce odorous emissions from operations such as refineries, sewage treatment plants, and rendering plants. In 1976, the regulation was amended to alter source applicability based on citizen odor complaints, establish general limitations on odorous substances to be evaluated by an odor panel, and set limitations on total reduced sulfur (TRS) from kraft pulp mills.

Later the rule was renamed Regulation 7 – Odorous Substances. Between 1976 and 1982, the Air District restructured the regulations which resulted in two substantive amendments to Regulation 7 including, removing the sampling and analysis procedures for odorous substances and including those in a Manual of Procedures, and moving the kraft pulp mill requirements from Regulation 7 to a source-specific regulation aimed at addressing that industry. Regulation 7 was last amended in 1982.

DISCUSSION

Since the last amendment of Regulation 7 in 1982, changes in the Bay Area's population density, industrial and manufacturing processes, and proximity to residential housing and public spaces have highlighted the importance of updating the regulation to address odor impacts in communities.

Staff has initiated rule development efforts to amend Regulation 7 to strengthen odor standards and enhance enforceability of the rule. Rule amendment efforts will include reviewing and identifying a broad spectrum of odorous compounds from a variety of odor sources, industrial and manufacturing processes, and developing strategies to reduce and minimize odors. Amongst these

strategies, staff will consider updating the triggers for applicability of the rule and requiring an odor management plan for certain facilities. Evaluation of odor detection technologies will be aimed at providing additional tools for enforcement and assist in identifying odor sources in communities.

The timeline for the rule amendment process will be dependent on the field testing of odor detection technologies and method development. Proposed amendments to Regulation 7 is expected to be brought to the Board of Directors for approval in late 2019.

Staff will present the current Regulation 7 applicability and standards and provide an overview of initial concepts and strategies for amending the regulation.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alona Davis and Tracy Lee
Reviewed by: Jeff Gove

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: July 24, 2018

Re: Update on Implementation of Assembly Bill (AB) 617 Community Air Protection
Program

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Community Air Protection Program was established by the state to implement Assembly Bill (AB) 617 (C. Garcia, Chapter 136, Statutes of 2017), which directs the state, in consultation with local air districts, to select communities that have a “high cumulative exposure burden” to air pollution. Once selected, local air districts will partner with communities to work on community emission reduction programs and/or community air monitoring plans.

DISCUSSION

The Bay Area Air Quality Management District is required to submit a “final submittal” to the California Air Resources Board (CARB) on recommended communities that will be our focus for development of community monitoring plans and community emission reduction plans for the first five years of the state’s Community Air Protection Program.

The list of high priority communities for monitoring plans and emission reduction plans will be revisited and re-submitted to CARB every year. The CARB board makes the final decision about which communities will be selected for community plans for that year.

In addition to community selection, AB 617 requires air districts in non-attainment of ambient air quality standards to conduct a best available retrofit control technology (BARCT) evaluation of sources at industrial 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, 19 of which are in industrial sectors that are eligible for industrial assistance allowance allocations under the Cap-and-Trade

program. These 19 industrial facilities encompass 1,899 individual sources in 50 different 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 to be included in an Expedited BARCT Implementation Schedule for Board of Directors consideration later this year.

Based on this process, six potential rule development projects have been identified as candidates for the Expedited BARCT Implementation Schedule. Potential Rule Development Projects and the respective affected pollutants include: 1) Organic liquid storage tanks (ROG); 2) Petroleum wastewater treating (ROG); 3) Portland cement manufacturing (PM and SO₂); 4) Refinery fluid catalytic crackers and CO boilers (PM and SO₂); 5) Refinery heavy liquid leaks (ROG); and 6) Petroleum coke calcining (NO_x).

Through this process, staff also identified 12 other source categories for further consideration. Rule development projects for these sources are not being proposed at this time because the potential emission reductions would be relatively small and are anticipated to have limited impact on local communities as a whole throughout the region. Staff recommends that further study and evaluation be conducted for these sources, and that action on these potential rule development projects would be more appropriately considered during development of local Community Action Plans.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Elizabeth Yura and Victor Douglas
Reviewed by: Elizabeth Yura