



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
STATIONARY SOURCE COMMITTEE

COMMITTEE MEMBERS

ROD SINKS - CHAIR
JOHN BAUTERS
JOHN GIOIA
NATE MILEY
JIM SPERING
SHIRLEE ZANE

KAREN MITCHOFF – VICE CHAIR
DAVID CANEPA
CAROLE GROOM
MARK ROSS
BRAD WAGENKNECHT

MONDAY
APRIL 29, 2019
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.*

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 MARCH 18, 2019**

Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Stationary Source Committee meeting of March 18, 2019.

4. **UPDATE ON MONITORING ACTIVITIES AT REFINERIES AND IN NEARBY COMMUNITIES**

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive an update on Monitoring Activities at Refineries and in nearby communities.

5. **UPDATE ON THE IMPLEMENTATION OF REGULATION 12, RULE 15 – PETROLEUM REFINERY EMISSIONS AND REGULATION 6, RULE 5 – PARTICULATE MATTER FROM FLUIDIZED CATALYTIC CRACKING UNITS AT REFINERIES.**

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive an update on the implementation of Regulation 12, Rule 15 tracking and Regulation 6, Rule 5 Particulate Matter from Fluid Catalytic Cracking Units at Refineries.

6. **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.

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 15, 2019, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 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

(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, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE:

MONTHLY CALENDAR OF AIR DISTRICT ANTICIPATED MEETINGS

APRIL 2019

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Climate Protection Committee	Monday	22	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget and Finance Committee	Monday	22	10:30 a.m.	1 st Floor, Board Room
Board of Directors Legislative Committee	Wednesday	24	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee	Thursday	25	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Monday	29	9:30 a.m.	1 st Floor Board Room

MAY 2019

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting	Wednesday	1	9:30 a.m.	1 st Floor Board Room
Board of Directors Special Meeting Budget Hearing	Wednesday	15	9:30 a.m.	1 st Floor Board Room
Board of Directors Special Meeting	Wednesday	15	10:00 a.m.	1 st Floor Board Room
Board of Directors Community and Public Health Committee	Monday	20	9:30 a.m.	1 st Floor, Board Room
Board of Directors Legislative Committee	Wednesday	22	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee	Thursday	23	9:30 a.m.	1 st Floor Board Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 19, 2019

Re: Approval of the Minutes of March 18, 2019

RECOMMENDED ACTION

Approve the attached draft minutes of the Stationary Source Committee (Committee) meeting of March 18, 2019.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of March 18, 2019.

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 March 18, 2019

AGENDA: 3A – ATTACHMENT

Draft Minutes – Stationary Source Committee Meeting of March 18, 2019

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105
(415) 749-5073

Video Conference Location
Santa Rosa Junior College
Doyle Library, Room 4248
1501 Mendocino Avenue
Santa Rosa, Ca 95401

DRAFT MINUTES

Summary of Board of Directors
Stationary Source Committee Meeting
Monday, March 18, 2019

1. CALL TO ORDER – ROLL CALL

Stationary Source Committee (Committee) Chairperson Rod Sinks called the meeting to order at 9:33 a.m. Director Zane was participating via videoconference from Santa Rosa Junior College.

Present: Committee Chairperson Rod Sinks; Vice Chairperson Karen Mitchoff; and Directors John J. Bauters, David Canepa, John Gioia, Carole Groom, Nate Miley, Mark Ross, Jim Spering, Brad Wagenknecht, and Shirlee Zane (remote.)

Absent: None.

Also Present: None.

PUBLIC COMMENT ON NON-AGENDA MATTERS

2. Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3

No requests received.

3. APPROVAL OF THE MINUTES OF SEPTEMBER 17, 2018

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Vice Chair Mitchoff made a motion, seconded by Director Spring, to approve the Minutes of September 17, 2018; and the motion carried by the following vote of the Committee:

AYES: Bauters, Canepa, Gioia, Groom, Mitchoff, Sinks, Spring, Wagenknecht, Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Miley, Ross.

4. UPDATE ON IMPLEMENTATION OF RULE 11-18, 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, who gave the staff presentation *Update on Implementation of Regulation 11, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities*, including: outline; Rule 11-18 overview; requirements; implementation flow chart, process, and status; schedule for Phase I sites; actions to date; and next steps.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the composition of Phase I and Phase II facilities and the prioritization difference between the two groups; which entities will be conducting health risk assessments (HRA) for the facilities, and, if third parties are hired to conduct any of the HRAs, whether the Air District or the facilities would do the hiring; the timeframe for refineries' implementation of this regulation; whether this regulation addresses mobile sources; how the Air District plans to publicize the HRA results in a way that is understandable to the public, via methods expanding beyond the internet; the number of Phase I facilities and a request that the names of those facilities and their HRA status be posted on the Air District's website; the Air District's definition of a "deferred" facility; the request that the Board members be given the list of affected facilities so that they may inform facilities adjacent to the affected facilities of Rule 11-18; whether fence line monitoring at refineries is part of Rule 11-18, the status of Air District fence line monitoring efforts at refineries, and a request for a staff report on fence line monitoring data the Air District is collecting; consequences for failing to meet regulation deadlines; the number of full-time equivalent Air District employees are assigned to carry out Rule 11-18, and whether this rule's implementation is fully-staffed; if and how Air District fees have been or will be affected by Rule 11-18; improvements to Bay Area air quality over the last two decades and ways to communicate that to the public; and a request for emission reductions pertaining to each completed Carl Moyer Memorial Air Quality Standards Attainment Program-funded project in the Bay Area.

NOTED PRESENT: Director Ross was noted present at 9:46 a.m., and Director Miley was noted present at 9:59 a.m.

Committee Action

None; receive and file.

5. REFINERY AND FLARE OVERVIEW

Jeff Gove, Director of Compliance and Enforcement, gave the staff presentation *Refinery and Flare Overview*, including: overview; Air District refineries; refinery overview; products of petroleum refining; refinery sources of emissions; refinery emissions; Air District refinery regulations; refinery flare systems; refinery maintenance; Regulation 12, Rule 11 and Regulation 12, Rule 12; frequency of flaring events; and amount of gas flared.

Public Comments

Public comments were given by Bob Brown, Western States Petroleum Association.

Committee Comments

The Committee and staff discussed the request for causal analyses of flaring events (power outages, process upsets, emergencies, start-up, shutdown, maintenance, etc.) and the posting of such analyses on the Air District’s website; the number of ongoing flaring investigations that have been open since 2018 at Chevron; whether Chevron’s hydrogen plant in Richmond causes flaring events and will continue additional flaring in the future; the request that in the future, Air District staff dedicates one slide per refinery when capturing the frequency of flaring events and the amount of gas flared; corrective measures to address flaring facilities; health impacts due to flaring; the lack of notification before and after flaring events; the need to educate the public about the difference between flaring and fires and explosions; tradeoffs of flaring; whether applications used by the public capture flaring incidents; and the fact that routine flaring at refineries is prohibited in the Bay Area.

Committee Action

None; receive and file.

PUBLIC COMMENT ON NON-AGENDA MATTERS

6. Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3

No requests received.

7. COMMITTEE MEMBER COMMENTS

Regarding the California Department of Transportation’s (Caltrans’) proposal to partially lower, raise, replace, or reconstruct connectors in the MacArthur Maze at either Interstate 80, 580, or 880 to increase vertical clearance for freight vehicles in the City of Oakland, Director Bauters voiced his concern about inadequate noticing practices and anticipated impacts of the project (despite the claim that the project will not significantly affect the quality of the environment). As this project

is adjacent to West Oakland, a community identified as a first-year, priority community for the Air District’s Community Health Protection Program, Director Bauters requested that the Air District demand a full Environmental Impact Report of this project and provide comments to Caltrans.

Chair Sinks informed the Committee members that they will receive (via email) a list of potential topics for the Committee’s discussion for 2019. He also announced that the Committee will not meet in May, but in April.

TIME AND PLACE OF NEXT MEETING

Monday, April 29, 2019, 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 11:23 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 19, 2019

Re: Update on Monitoring Activities at Refineries and in Nearby Communities

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Monitoring of specific sources (in-stack monitors) and monitoring along fence lines has been in place at refineries for decades. This has allowed the Air District to determine compliance with emission limits at specific sources and reduce impacts to nearby residents and businesses.

On April 20, 2016, the Board of Directors (Board) adopted Regulation 12, Rule 15: Petroleum Refining Emissions Tracking (Rule 12-15), a first in the nation regulation, that required additional fence line monitoring, among other requirements such as requiring a more standardized approach to determine emissions inventories and documenting characteristics of crude oils being processed at a refinery. As part of this regulatory action, the Board directed staff to establish an additional air monitoring station in each of the five refinery communities to be operated by Air District staff.

DISCUSSION

The Air District uses in-stack Continuous Emission Monitors (CEMs) that must meet specific and stringent requirements to ensure accuracy to measure emissions directly from sources. The purpose of these monitors is to ensure that emission limits in permits and regulations are constantly met. The Air District also requires refineries to install fence line monitoring called Ground Level Monitors (GLMs) to ensure that concentrations of hydrogen sulfide (H₂S) and sulfur dioxide (SO₂) do not exceed regulatory limits. The purpose of these monitors is to measure ground level concentrations that may impact local populations.

Technological improvements in a measurement technique known as Open Path (OP) measurement, in which a beam of light is passed between two points and can measure specific compounds that pass through the length of the beam, has made this an attractive alternative to traditional GLM monitoring that measures at only a single point. While the goal of using this measurement technique is the same as that for GLMs, the technique allows for greater measurement coverage along the entire path of the light beam which can be as long as 1,000 meters.

However, populations living and working near refineries voiced concerns that ground level emissions from refineries were not being adequately measured and that general air quality in refinery communities was not represented by the current air monitoring network. Staff incorporated additional monitoring requirements into Rule 12-15 to address these concerns. Original drafts of Rule 12-15 required that refineries establish air monitoring stations in nearby communities in addition to requiring open path monitoring along the refinery fence line. However, due to concerns about having refineries operating these “community monitors,” the Board directed staff to operate and maintain an additional air monitoring station in each refinery community.

The Air District’s Board of Directors also adopted amendments to Regulation 3: Fees, to pay for review of fence line air monitoring and quality assurance plans, and for installation, operation and maintenance of air monitoring stations within the five Bay Area refinery communities.

Staff will provide the Committee with an update on progress in installing both fence line monitoring at refineries and establishment of air monitoring stations in refinery communities.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jerry Bovee
Reviewed by: Wayne Kino

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 19, 2019

Re: Update on the Implementation of Regulation 12, Rule 15 – Petroleum Refinery Emissions and Regulation 6, Rule 5 – Particulate Matter from Fluidized Catalytic Cracking Units at Refineries

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Petroleum refineries are significant sources of pollutants on both the global (greenhouse gases) and regional/local scale (toxic air contaminants and criteria pollutants). Many Bay Area residents have expressed concern about the impact of this pollution on the climate, environment and public health.

Regulation 12, Rule 15 (Petroleum Refinery Emissions Tracking) and Regulation 6, Rule 5 (Particulate Emissions from Refinery Fluidized Catalytic Cracking Units) were adopted by the Board of Directors on December 2015 and later amended in December 2018. The purpose of Regulation 12, Rule 15 is to “Track air emissions and crude oil composition characteristics from Petroleum Refineries and Support Facilities over time...” while the purpose of Regulation 6, Rule 5 is to limit emissions of condensable particulate matter and precursors of secondary particulate matter from petroleum refinery fluidized catalytic cracking units.

DISCUSSION

Currently, there are five petroleum refineries and three support facilities located in the Bay Area within the jurisdiction of the Air District, these are as follows:

1. Chevron Products Company, Richmond (BAAQMD Plant #10)
2. Phillips 66 Company – San Francisco Refinery, Rodeo (BAAQMD Plant #21359)
3. Shell Martinez Refinery, Martinez (BAAQMD Plant #11)
4. Tesoro Refining and Marketing Company, Martinez (BAAQMD Plant #14628)
5. Valero Refining Company – California, Benicia (BAAQMD Plant #12626)
6. Chemtrade West US LLC – Richmond (BAAQMD Plant # 23)
7. Air Liquide Large Industries US LP – Rodeo (BAAQMD Plant # 17419)

8. Air Products & Chemicals, Inc. – Martinez (BAAQMD Plant # 10295)

The petroleum refineries process crude oil into a variety of products such as gasoline, aviation fuel, diesel and other fuel oils, lubricating oils, and feedstocks for the petrochemical industry. Four of the five petroleum refineries have fluidized catalytic cracking units.

The support facilities provide materials such as sulfuric acid or hydrogen that are needed in various petroleum refinery processes.

As part of this agenda item, staff will provide the committee an update on the implementation of Regulation 12, Rule 15 and Regulation 6, Rule 5.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectively submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Pamela Leong
Reviewed by: Damien Breen