



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
STATIONARY SOURCE COMMITTEE

COMMITTEE MEMBERS

JOHN BAUTERS - CHAIR
DAVID CANEPA
CAROLE GROOM
NATE MILEY
JIM SPERING

KAREN MITCHOFF – VICE CHAIR
JOHN GIOIA
TYRONE JUE
MARK ROSS
BRAD WAGENKNECHT

WEDNESDAY
FEBRUARY 26, 2020
10:45 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.*

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 DECEMBER 16, 2019**

Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Stationary Source Committee meeting of December 16, 2019.

4. **AIR DISTRICT LEGAL AUTHORITIES 101**

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive information on the legal framework in which the Air District operates, the legal authorities granted, and obligations imposed by that framework.

5. **UPDATE ON MAJOR FACILITIES**

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive an update on proposed projects at major facilities expected to move forward in 2020.

6. **DISCUSSION ON STATIONARY SOURCE COMMITTEE SCHEDULE FOR 2020**

J. Broadbent/5052

jbroadbent@baaqmd.gov

Staff will discuss with the committee a proposed schedule for the Stationary Source Committee Meetings for 2020.

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 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)

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

Wednesday, April 22, 2020, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 12:00 p.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, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE:

MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

FEBRUARY 2020

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee	Wednesday	26	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Legislative Committee - CANCELLED	Wednesday	26	10:30 a.m.	1 st Floor Yerba, Buena Room #109
Board of Directors Stationary Source Committee	Wednesday	26	10:45 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee	Thursday	27	9:30 a.m.	1 st Floor Board Room

MARCH 2020

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting	Wednesday	4	9:30 a.m.	1 st Floor Board Room
Board of Directors Community and Public Health Committee	Thursday	5	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee	Wednesday	18	9:30 a.m.	1 st Floor Board Room
Advisory Council Special Meeting - PM Symposium	Tuesday	24	9:00 a.m.	Oakland Marriott City Center 1001 Broadway, Oakland CA
Board of Directors Budget & Finance Committee	Wednesday	25	9:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Legislative Committee	Wednesday	25	10:30 a.m.	1 st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee	Thursday	26	9:30 a.m.	1 st Floor Board Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 14, 2020

Re: Approval of the Minutes of December 16, 2019

RECOMMENDED ACTION

Approve the attached draft minutes of the Stationary Source Committee (Committee) meeting of December 16, 2019.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of December 16, 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 December 16, 2019

AGENDA: 3A – ATTACHMENT

Draft Minutes – Stationary Source Committee Meeting of December 16, 2019

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, December 16, 2019

1. CALL TO ORDER – ROLL CALL

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

Present: Committee Chairperson Rod Sinks; Vice Chairperson Karen Mitchoff; and Directors John J. Bauters, David J. Canepa, John Gioia, Mark Ross, and Brad Wagenknecht.

Absent: Directors Carole Groom, Nate Miley, Jim Spring, and Lori Wilson.

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 16, 2019

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Bauters made a motion, seconded by Director Wagenknecht, to approve the Minutes of September 16, 2019; and the motion carried by the following vote of the Committee:

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

4. UPDATE ON THE IMPLEMENTATION OF REGULATION 11, RULE 18 (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, Assistant Engineering 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; risk action levels; requirements; implementation process; facility classifications; implementation status; schedule for Phase I facilities; next steps; timeline for data review and Health Risk Assessment (HRA); and timeline for approval of Risk Reduction Plans (RRP).

Public Comments

Public comments were given by Jed Holtzman, Richard Gray, and Sara Greenwald; 350 Bay Area.

Committee Comments

The Committee and staff discussed the anticipated process of conducting HRAs for Title V facilities and the timeline for this; whether the Air District anticipates that facilities whose data is being validated will no longer be required to conduct an HRA; whether the Air District anticipates that Title V facilities will need more time to conduct their HRAs; emissions and compounds that the Air District has thus far identified as the most voluminous; the Air District’s anticipated findings at Lehigh Cement Quarry; whether the Air District anticipates that additional staff will be needed to execute data review, conduct HRAs, and approve RRP; ways in which proposed timelines could be shortened; potential impediments to expedited schedules; the interest in a rule amendment to accelerate the timeline, and the request for a presentation on staff needs for Rule 11-18; a request for the list of the Phase 1 facilities; a request for a chart of emission reductions that have resulted from this rule thus far; how data from Air District Rule 12-15 (Petroleum Refining Emissions Tracking) informs Rule 11-18; and anticipated reductions at the Schnitzer Steel facility in Oakland.

Committee Action

None; receive and file.

5. ODOR ATTRIBUTION STUDY IN THE SOUTH BAY

Wayne Kino, Deputy Air Pollution Control Officer of Operations, introduced Jerry Bovee, Source Test Manager, who gave the staff presentation *Odor Attribution Study in the South Bay*, including: outline; area overview; waste facilities; South Bay Odor Stakeholder Group; challenges in determining sources of odors; Odor Attribution Study; Project 1 – Montrose Environmental Group; Project 2 – Jacobs Engineering Group, Inc.; complementary project elements; and next steps.

Public Comments

Public comments were given by Stacey Randecker, San Francisco resident.

Committee Comments

The Committee and staff discussed whether adverse health effects result from these odors; the duration of this problem in the South Bay; whether the odors can be successfully eliminated, and how to inform the public if this cannot be achieved or solved; the fact that composting operations are exempt from Air District public nuisance provisions; California’s waste diversion goals; whether the waste facilities near Milpitas are issued Air District Notices of Violation; how the Air District plans to ensure that these facilities are implementing best practices and have achieved lower emissions and odors after the study is conducted; the Air District’s relationship with the City of San Jose, in its capacity as the Local Enforcement Agency for these facilities; the anticipated timeline for finalizing contracts and launching projects pertaining to the Odor Study; and the request for a quarterly status report to the Committee on this study.

Committee Action

None; receive and file.

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

7. COMMITTEE MEMBER COMMENTS

None.

8. TIME AND PLACE OF NEXT MEETING

At the conclusion of the meeting, it was announced that the next meeting would take place at the Call of the Chair. However, following the meeting, the next meeting was scheduled for Wednesday, February 26, 2020, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 10:45 a.m.

9. ADJOURNMENT

The meeting adjourned at 11:00 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 11, 2020

Re: Air District Legal Authorities 101

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, 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 C. Bunger

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 11, 2020

Re: Update on Major Facilities

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District is currently evaluating the emissions and regulatory impacts of multiple projects from major facilities as part of the permit applications process. Staff will provide an update on several such projects it expects to work on in 2020.

DISCUSSION

Staff will provide the Stationary Source Committee (Committee) a briefing on several Bay Area Major Facility projects from four (4) facilities. These are as follows:

1. Phillips 66 Company – San Francisco Refinery, Rodeo (BAAQMD Plant #21359)
2. Tesoro Refining and Marketing Company, Martinez (BAAQMD Plant #14628)
3. Lehigh Southwest Cement Company, Cupertino (BAAQMD Plant #17)
4. Schnitzer Steel Products Company, Oakland (BAAQMD Plant #208)

Phillips 66 San Francisco Refinery Energy Reliability Project:

Phillips 66 proposes to increase the allowable amount of crude and gas oil that may be brought by ship or barge to their marine terminal. The refinery processes crude oil from a variety of domestic and foreign sources delivered by ship or barge at the marine terminal, and from central California, received by pipeline. The project would allow the refinery to receive more waterborne-delivered crude and gas oil, and thereby to replace roughly equivalent volumes of pipeline-delivered crude oils with waterborne-delivered crude oils.

Marathon (formerly Tesoro) Refinery Fluidized Catalytic Cracking Unit Oxides of Nitrogen (NO_x) Abatement:

Marathon is proposing to abate NO_x emissions from their fluidized catalytic cracking unit by installing selective catalytic reduction abatement.

Lehigh Southwest Company:

In two separate projects, Lehigh is proposing to install a portable rock plant and a temporary portable conveyor. Lehigh has permits for aggregate processing equipment in their Rock Plant, but the sources have not operated since 2014, and require refurbishing to operate. Lehigh proposes to install new portable aggregate processing equipment until refurbishment of the permanent equipment is completed.

In addition, Lehigh operates a conveyor system that suffered structural failure. The system conveys material between two critical equipment, a clinker and kiln mill, that is required for the facility to operate. Lehigh proposes to install and operate a temporary conveyor system while the permanent system is repaired.

On December 3, 2019, Lehigh entered into a Consent Decree with U.S. Environmental Protection Agency. The Consent Decree covers 14 Lehigh facilities, including the Cupertino facility. The Consent Decree requires NO_x and Sulfur Dioxide (SO₂) abatement controls, and imposes emissions limits.

Schnitzer Steel:

Schnitzer Steel operates a scrap metal recycling and metal shredding operation in Oakland. Schnitzer Steel is requesting to increase the allowable number of ocean-going vessels transporting materials from Schnitzer Steel's scrap metal recycling facility from 26 ship calls per calendar year to 32 ship calls per calendar year. Recently, smaller ships and partially loaded ships have been used to transport Schnitzer Steel's scrap metal, resulting in the need to have more ship calls per year to transport the same amount of material. Schnitzer Steel is also proposing to install abatement equipment to abate emissions from their metal shredder.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Pamela Leong
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

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

From: Jack P. Broadbent
Executive Officer/APCO

Date: February 19, 2020

Re: Discussion on Stationary Source Committee Schedule for 2020

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Stationary Source Committee (Committee) reviews and recommends stationary source policies, issues, and programs related to air quality management plans, air quality and economic modeling, permitting, compliance, small business assistance, toxics, source education, rule development, and grants. The Committee also advises the Board of Directors on the Air District's position on all regulations that affect stationary sources.

DISCUSSION

In order to facilitate the efficient operation of the Committee, staff will discuss a proposed schedule for meetings for 2020.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Wayne Kino