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

Board of Directors Regular Meeting Wednesday, June 2, 2021

APPROVED MINUTES

Note: Audio recordings of the meeting are available on the website of the Bay Area Air Quality Management District at www.baaqmd.gov/bodagendas

This meeting was conducted under procedures authorized by executive order N-29-20 issued by Governor Gavin Newsom. Members of the Board of Directors participated by teleconference.

CALL TO ORDER

1. **Opening Comments:** Board of Directors (Board) Chairperson, Cindy Chavez, called the meeting to order at 9:30 a.m. Chair Chavez asked for a moment of silence to remember the Santa Clara Valley Transportation Authority victims and other victims of gun violence.

Roll Call:

Present: Chairperson Cindy Chavez; Vice Chairperson Karen Mitchoff; Secretary John Bauters; and Directors Margaret Abe-Koga, Teresa Barrett, David Canepa, Rich Constantine; Pauline Russo Cutter, John Gioia, Carole Groom, Erin Hannigan, David Haubert, Lynda Hopkins, David Hudson, Davina Hurt, Tyrone Jue, Myrna Melgar, Nate Miley, Rob Rennie, Katie Rice, Mark Ross, Brad Wagenknecht, Shamann Walton, and Lori Wilson.

Absent: None.

REGULAR AGENDA

- 2. Proposed Amendments to Regulation 6: Particulate Matter, Rule 5: Particulate Emissions from Petroleum Refinery Fluidized Catalytic Cracking Units (Rule 6-5)
 - A. **INFORMATIONAL ONLY:** Overview on the Regulatory Options Considered for Amendments to Regulation 6, Particulate Matter: Rule 5: Particulate Emissions from Petroleum Refinery Fluidized Catalytic Cracking Units (Rule 6-5)

The Board of Directors received an overview on the rule development process for proposed amendments to Regulation 6: Particulate Matter, Rule 5: Particulate Emissions from Petroleum Refinery Fluidized Catalytic Cracking Units (Rule 6-5) and background on the regulatory options considered and discussed at previous Stationary Source and Climate Impacts Committee meetings. Jack

P. Broadbent, Executive Officer/Air Pollution Control Officer (APCO), introduced David Joe, Assistant Rule Development Manager, who gave the staff presentation *Public Hearing on Amendments to Rule 6-5: Rule Development Process Background and Overview*, including: outcome; outline; requested action; background; rule development process; draft amendments (Control Scenario A and B); estimated impacts; health impacts estimates; study area for health impacts; "stair-step" regulatory concept; potential paths considered; and proposed amendments.

NOTED PRESENT: Director Miley was noted present at 10:04 a.m., and Director Hannigan was noted present at 10:38 a.m.

PUBLIC HEARING

B. Public Hearing to Consider Adoption of Proposed Amendments to Regulation 6: Particulate Matter, Rule 5: Particulate Emissions from Petroleum Refinery Fluidized Catalytic Cracking Units (Rule 6-5)

Greg Nudd, Deputy APCO of Policy, gave the staff presentation *Public Hearing on Amendments to Rule 6-5: Proposed Amendments*, including: outcome; outline; requested action; rule development process and engagement; proposed amendments to Rule 6-5; impacts of proposed amendments; emissions estimates; emission reductions, cost impacts, and incremental cost analysis; cost of refinery wet gas scrubbing system installations; socioeconomic impacts; environmental impacts; test methods; statutory findings; comments and responses; and feedback requested/prompt.

Chair Chavez opened the public hearing to receive testimony to Consider Adoption of Proposed Amendments to Regulation 6: Particulate Matter, Rule 5: Particulate Emissions from Petroleum Refinery Fluidized Catalytic Cracking Units (FCCU) (Rule 6-5).

Public Comment

Public comments were given by Supervisor Monica Brown, Solano County Board of Supervisors; Charles Davidson, Hercules resident; Sara Greenwald, 350 Bay Area; Torm Nomprasseurt, Asian Pacific Environmental Network; Greg Goebel, Goebel Construction; Thom Leeds, Chevron; Bill Whitney, Contra Costa Building and Construction Trades Council; Tom Hansen, Local 302; Adeline Ford, Martinez Refining Company (MRC); Brian Nippa, MRC; Clair Brown, Richmond resident; Andres Soto, Communities for a Better Environment (CBE); Janis Hashe, Richmond resident; Heather Slinde, MRC; Bill Quinn, California Council for Environmental and Economic Balance; Ann Frankel, Richmond resident; Jacob Klein, Sierra Club; Sally Tobin, Richmond resident; Jan Warren, Interfaith Climate Action Network of Contra Costa County; Lara Clayman, Oakland resident; Mark Hughes, Industrial Association of Contra Costa County; Dr. Steve Rosenblum, 350 Silicon Valley; David Page; Olga Mandrussow; Danny Bernardini, Napa-Solano Building & Construction Trades Council; Floy Andrews, Richmond resident; Steve Nadel, Sunflower Alliance; Hannah Robbins, Alameda-Contra Costa Medical Association; Jessica Scheiber, MRC; Gordon Johnson, PBF Energy; Nancy Rieser, Crockett resident; Andrew Solak, PBF Energy; Shoshana W; Fred Page, Point Richmond resident; Roddy Auer, Local 342; Ken Szutu, Vallejo Citizen Air Monitoring Network; Michael Coody, Rodeo Citizens Association; Ellen Beans, 350 Contra Costa; Dan Williamson, Chevron; Andres Cluver, Building Trades Council of Alameda County; Tony Munoz, Local 713; Kristin Connelly, East Bay Leadership Council; Linda Weiner, Linda Weiner, San Francisco resident; Susan Nelson, MRC; Michael Armour, MRC; Chuck Leonard, Local 342; Nick Plurkowski, PBF Energy; Jean-Paul Nepote, MRC; Rachel Shoemake, Local 302; David McCoard, Sierra Club; Laura Malchow-Hay, Sierra Club; Cory Durham, Chevron; Kyle Drach, Chevron; Christy Tormey, Chevron; Greg Reed, Chevron; Laurie Mintzer, Chevron; Roy Mathur, PBF; Joanna Gardias, Menlo Spark; Erik Topp, PBF; Randy Loyd, Local 342; Jeffrey Andrews, PBF; Rhoda Fry, Cupertino resident; Jed Holtzman, 350 Bay Area; Tyler Earl, CBE; Ahmed Al Abdalah, MRC; Greg Spooner, Sierra Club; Beth Krebs; Floyd Henson, Local 342; Karina Maher, M.D.; Anita Edralin; Zolboo Namkhaidorj, CBE; Jean Tepperman, Sunflower Alliance; Eduardo Martinez, Richmond City Council; Todd Snyder, San Francisco resident; Martha Kreeger; Julie Harris; Woody Hastings, The Climate Center; Ernesto Arevalo, CBE; Paula Kapfenstein, MRC; Tim Laidman, Green Party County Councilmember of Contra Costa County; Bonnie Lockhart; Timothy Jefferies; Janet Johnson, Sunflower Alliance; Paul Wermer; Sarah Spengeman; Elizabeth Cruciani, MRC; Sherry Robertson, MRC; Brad Padilla, MRC; Glenn Loveall, Local 378; Steve Bell, Local 152; Maureen Brennan, Rodeo resident; Hoai-An Truong, Mothers Out Front; Dan Sakaguchi, CBE; Dr. Bonnie Hamilton; Tracy Scott; Dave Bleckinger, MRC; Dr. Cynthia Carmichael; Jackie Garcia Mann, 350 Contra Costa; Don Gosney, Richmond resident; Cliff Wiest, Chevron; Eric Donnelly, Chevron; Daniel Carter, Chevron; Marisol Cantu, Richmond resident; Kristin Frost, Chevron; Sarah Kerns, Chevron; Richard Gray, 350 Bay Area; Francisco Lopez-Linares; Chevron; Joseph Prunkle, MRC; Nancy Navarro, PBF; Suzanne Castalano, Chevron; Bob Brown, Western States Petroleum Association; James Johnston, Alameda resident; Dr. Amanda Millstein, Climate Health Now; Dr. Cynthia Mahoney, Climate Health Now; Dr. Ashley McClure, Climate Health Now; Brian Hubinger, Chevron; Dr. Margie Chen, Climate Health Now; Dr. Robert Gould, Physicians for Social Responsibility; William Smith, Alameda resident; Greg Karras, Community Energy reSource; Gary Hughes, biofuelwatch; Samuel Munoz, Local 217; Ann Brown, Tri Valley Air Quality Community Alliance Oversight Committee; Sheryl Davila; Kevin Ma, Silicon Valley Youth Climate Action; Joel Hawes, MRC; Andrew Scheiber, Benicia resident; Todd Osterberg, Chevron; Erik Trautvetter, Chevron; Carmel Sanchez, Chevron; Shauna Falvey, Chevron; Marci Wyatt, Chevron; Rick Solis, Local 405; John Anderson, San Francisco resident; Alyssa Kang, California Nurses Association (CNA); Dr. Marjaneh Moini, Physicians for Social Responsibility; Halimah Houston, El Sobrante resident; Katherine Funes, Rose Foundation; Tyler; Oakland resident; Virginia Reinhart, Sierra Club; Kris Keener, MRC; Celeste Sheets, Chevron; Nory Griffin, Sunflower Alliance; John Sakamoto, Eichleav Engineers; Paul Davis, PBF; Cherie Cabral, North Bay Building Trades Council; Igor Tegub, Sierra Club; Kristel Rietesel, Bay Area clean Air Coalition; Gabriel Goffman, Democratic Socialists of America; Michael Carroll, Latham & Watkins LLP; Darren Stroud, MRC; Richard Shih, PBF; Lizbeth Ibarra, Youth Vs. Apocalypse; David Schoenthal, MRC; Janet Kinney, CNA; Harlo Pippinger, Democrats Socialists of America; Jack Fleck, 350 East Bay; Kristin Marczak, MRC; David Bini, Santa Clara & San Benito Counties Building Trades Council; Dr. Ann Harvey; Simren Sandhu, Youth Vs. Apocalypse; Jan Callaghan, Rodeo resident; Diane Bailey, Menlo Spark; Michele Corey, MRC; Lisa Jackson; Dr. Jane Perry, 1,000 Grandmothers for Future Generations; Rudy Gonzales, San Francisco Building and Construction Trades Council; Dr. Patrice Sutton, Physicians for Social Responsibility; Andrew Sorley, Chevron; Elliot Helman, 350 San Francisco, Jason Vorderbrueggen, MRC; Kevin Olson, Chevron; Brandon Matson, PBF; Christopher Lehman, Chevron; Hakim Johnson, Chevron; Tim Reyff, Local 22; Dr. Teresa La; Nathaniel Preston, PBF; Ann Vorderbrueggen, MRC; Harry Dhillon, MRC; LaDonna Williams, All Positives Possible; Unknown from Youth Vs. Apocalypse; Janet Pygeorge, Rodeo resident; Priyana; Donald Bitterman, MRC; Amber Keener; Ron Rowlett, Local 180; Israel Leon; Vanessa Cleric; Lalo Norr; Sam Saxe-Taller; Isha Clarke, Oakland resident; Greg Cluster; Michael Miller, PBF; Tim Frank; Julie Saxe-Taller; Patrick Owens, MRC; Heidi Petersen; Yancy Smith, Local 342; Dr. Jahan Shafizadeh; Matt Heeren, Local 342; La Mar Harrison, Richmond resident; and John Miller, CNA.

47 members of the public submitted public comments via electronic mail during the Board of Directors meeting, regarding this item. They may be viewed at <u>https://www.baaqmd.gov/~/media/files/board-of-directors/2021/emailed-public-comment-060221_v2-pdf.pdf?la=en</u>.

Board Comments

The Board and staff discussed the following clarifying questions: concerns about the water consumption (amount and type of acceptable water) that would be required of wet gas scrubbing technology at the refineries, and whether refineries have access to sources of reclaimed or reused water; whether any Stationary Source & Climate Impacts Committee members had expressed a preference for "Path 3" (develop rule language for stair-step approach, seek public input, and prepare for Board consideration); concerns that water use in "Control Scenario B" would exceed California Environmental Quality Act thresholds; whether greater emission reductions would be attained from "Path 3" than from requiring wet gas scrubber technology alone; what would trigger refinery job loss and plant closure; how the Air District differentiates Particulate Matter (PM) that comes from the FCCUs, from that of other refinery equipment; whether speciation occurs as PM goes through a wet gas scrubber; PBF's claim that a wet gas scrubber would not physically fit in their facility; whether the cost of installing and operating a wet gas scrubber includes the costs of treating the additional waste water produced prior to discharging water into the bay; the anticipated timeline for the implementation of "Control Scenario B"; whether wet gas scrubbers are becoming an industry standard to reduce emissions from FCCUs; whether any Bay Area refineries have presented the Air District with any emission reduction capital projects; the concern about the discrepancies between the refineries and Air District regarding estimated socioeconomic impacts; the history of draft amendments to Regulation 6-5; whether the type of oil grade affects emission output when processed in an FCCU; whether the Air District was given current profit information from the refineries; whether the Board would be presented with multiple draft amendments to Regulation 6-5 at this meeting; limits achieved by fluidized catalytic cracking units at refineries using electrostatic precipitators, versus using wet gas scrubbers; costs of refinery wet gas scrubbing system installation; what is included in a refinery's "compliance costs"; target cost effectiveness of emissions reductions of Air District grant programs; types of events that prompt wet gas scrubber system installations at refineries (in California or other states) and whether those refineries continue to voluntarily operate them; MRC's Proposed Voluntary Enhancement Commitment to Reduce its Fluidized Catalytic Cracking Unit Total Particulate Matter Emissions in Lieu of Further Rule-Making, and legal action refineries may take, once the Board adopts amendments to Air District regulations; whether wet gas scrubbers are the most appropriate technology to attain Best Available Retrofit Control Technology limits; and legal actions filed by the refineries in response to previous Air District regulation adoptions.

Board Action

Due to the lateness of the hour, Chair Chavez continued this item to a future date, yet to be determined (tentatively June 16, 2021, at a special meeting beginning at 8:30 a.m.) She added that those who gave public comment on June 2, 2021, regarding Regulation 6-5, would <u>not</u> be allowed to give public comment on Regulation 6-5 on the date of the continued meeting, and that any new members of the public wishing to speak on Regulation 6-5 will be given 30 seconds each on that day. Board members who cannot attend the continued meeting are able to submit their comments on Regulation 6-5 in writing to the Chair.

Chair Chavez acknowledged that the public hearing is not yet closed, as this item is being continued to a future date.

END OF PUBLIC HEARING

PUBLIC COMMENT ON NON-AGENDA MATTERS

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

No requests received.

BOARD MEMBERS' COMMENTS

4. Board Members' Comments

None.

OTHER BUSINESS

5. **Report of the Executive Officer/APCO**

Mr. Broadbent had nothing to report.

6. Chairperson's Report

Chair Chavez had nothing to report.

7. **Time and Place of Next Meeting**

The next Board of Directors meeting is scheduled for Wednesday, June 16, 2021, at 9:30 a.m.

8. Adjournment

The meeting adjourned at 4:40 p.m.

/S/ Marcy Hiratzka Marcy Hiratzka Clerk of the Boards