



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
STATIONARY SOURCE AND CLIMATE IMPACTS COMMITTEE

COMMITTEE MEMBERS

JOHN BAUTERS – CHAIR  
RICH CONSTANTINE  
DAVID HAUBERT  
TYRONE JUE  
KAREN MITCHOFF  
MARK ROSS

LYNDA HOPKINS – VICE CHAIR  
JOHN GIOIA  
DAVINA HURT  
NATE MILEY  
ROB RENNIE

**THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY  
ASSEMBLY BILL 361**

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# STATIONARY SOURCE AND CLIMATE IMPACTS COMMITTEE MEETING AGENDA

**MONDAY, MARCH 21, 2022**

**9:00 AM**

1. **Call to Order - Roll Call**
2. **Pledge of Allegiance**
3. **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.*

*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. Members of the public who wish to speak on matters on the agenda for the meeting, will have two minutes each to address the Committee. No speaker who has already spoken on that item will be entitled to speak to that item again.*

## **CONSENT CALENDAR (Item 4)**

4. Approval of the Draft Minutes of February 28, 2022

*The Committee will consider approving the attached draft minutes of the Stationary Source and Climate Impacts Committee meeting of February 28, 2022.*

## **PRESENTATIONS (Items 5-6)**

5. Bay Area Alternative Fuels Projects - Background and Update

*This is an informational item only and will be presented by Danny Nip, Senior Air Quality Engineer.*

6. Major Stationary Source Community Air Monitoring (Schedule X Fees)

*This is an informational item only and will be presented by Ila Perkins, Air Monitoring Operations Manager.*

**OTHER BUSINESS**

7. Public Comment on Non-Agenda Matters

*Pursuant to Government Code Section 54954.3*

*Members of the public who wish to speak on matters not on the agenda for the meeting, will have two minutes each to address the Committee.*

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

*Monday, April 18, 2022 at 9:00 a.m., in person or via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021).*

10. Adjournment

*The Committee meeting shall be adjourned by the 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)

- 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 Air 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, Suma Peesapati, at (415) 749-4967 or by email at [speesapati@baaqmd.gov](mailto:speesapati@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

#### MARCH 2022

<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	Wednesday	16	8:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Meeting	Wednesday	16	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Administration Committee	Wednesday	16	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Stationary Source and Climate Impacts Committee	Monday	21	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Path to Clean Air Community Emissions Reduction Plan Steering Committee	Monday	21	5:30 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Budget and Finance Committee	Wednesday	23	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Mobile Source and Climate Impacts Committee	Thursday	24	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Community Advisory Council Committee	Wednesday	30	6:00 p.m.	Webcast only pursuant to Assembly Bill 361

## APRIL 2022

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	6	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Community Equity, Health and Justice Committee	Thursday	7	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Legislative Committee	Monday	11	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Advisory Council Meeting	Monday	11	8:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Stationary Source and Climate Impacts Committee	Monday	18	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Meeting	Wednesday	20	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Administration Committee	Wednesday	20	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Path to Clean Air Community Emissions Reduction Plan Steering Committee	Monday	25	5:30 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Budget and Finance Committee	Wednesday	27	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Mobile Source and Climate Impacts Committee	Thursday	28	9:30 a.m.	Webcast only pursuant to Assembly Bill 361

JB 3/15/2022 – 9:28 A.M.

G/Board/Executive Office/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

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

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 21, 2022

Re: Approval of the Draft Minutes of February 28, 2022

RECOMMENDED ACTION

Approve the attached draft minutes of the Stationary Source and Climate Impacts Committee meeting of February 28, 2022.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the draft minutes of the Stationary Source and Climate Impacts Committee meeting of February 28, 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Draft Minutes of the Stationary Source and Climate Impacts Committee Meeting of  
February 28, 2022



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

**DRAFT MINUTES**

Stationary Source and Climate Impacts Committee Meeting  
Monday, February 28, 2022

**This meeting was conducted under procedures in accordance with Assembly Bill 361.  
Members of the Committee participated by teleconference.**

**1. CALL TO ORDER – ROLL CALL**

Stationary Source and Climate Impacts Committee (Committee) Chairperson John Bauters called the meeting to order at 9:00 a.m.

Present: Committee Chairperson John Bauters; Committee Vice Chairperson Lynda Hopkins; and Directors Rich Constantine, John Gioia, David Haubert, Davina Hurt, Tyrone Jue, Nate Miley, Karen Mitchoff, Rob Rennie, and Mark Ross.

Absent: None.

**2. PLEDGE OF ALLEGIANCE**

**3. PUBLIC MEETING PROCEDURE**

**4. APPROVAL OF THE MINUTES OF DECEMBER 20, 2021**

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Mitchoff made a motion, seconded by Director Gioia, to **approve** the Minutes of December 20, 2021; and the motion carried by the following vote of the Committee:

AYES: Bauters, Constantine, Gioia, Haubert, Hurt, Jue, Mitchoff, Rennie, Ross.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Hopkins, Miley.

**5. PROPOSED NEW REGULATION 13: CLIMATE POLLUTANTS, RULE 5: INDUSTRIAL HYDROGEN PLANTS AND PROPOSED AMENDMENTS TO REGULATION 8: ORGANIC COMPOUNDS, RULE 2: MISCELLANEOUS OPERATIONS**

Damian Breen, Senior Deputy Executive Officer of Operations, introduced Victor Douglas, Rule Development Manager, who gave the staff presentation *Proposed Regulation 13: Climate Pollutants, Rule 5: Industrial Hydrogen Plants*, including: outcome; outline; requested action; background; recent rule development history; hydrogen production steps; why do hydrogen vent emissions occur; overview of hydrogen plant configurations; proposed new rule provisions; potential nitrogen oxide (NOx) and greenhouse gas (GHG) emissions impacts of a flare; net GHG emissions from potential operation of a flare; cost and cost effectiveness analysis; socioeconomic impact analysis; aesthetic impact of potential new flares; visible emissions from flares; next steps; and feedback requested/prompt.

NOTED PRESENT: Vice Chair Hopkins was noted present at 9:10 a.m., and Director Miley was noted present at 9:30 a.m.

Public Comments

Public comments were given by Dr. Stephen Rosenblum, Palo Alto resident; Jed Holtzman, San Francisco resident; Jan Warren, Interfaith Climate Action Network of Contra Costa County; and Richard Gray, Sunflower Alliance.

Committee Comments

The Committee and staff discussed different types of refinery flaring and the causes, whether flaring is something that the public should be concerned about, and whether the method of flaring is cost effective for refineries; whether electrolysis of water is a viable alternative method of producing hydrogen; technologies that industrial hydrogen plants who are exempt from this rule are utilizing to minimize methane and other organic compound emissions, and why exempt facilities first implemented those technologies; the projected social cost of carbon (range); alternative methods to flaring at hydrogen plants, and how economic impacts may influence industry to choose one method over another; the anticipated water usage that may be needed for production at hydrogen plants; and how often venting and flaring incidents occur at hydrogen plants.

Committee Action

Although this was not an action item, Chair Bauters asked for a consensus of the Committee members present to endorse staff's recommendations. The consensus of the Committee members present was to direct staff to move forward with their recommendations.

**6. REGULATION 11, RULE 18 (RULE 11-18) FACILITY RISK REDUCTION PROGRAM - STRATEGIES FOR ACCELERATING FACILITY RISK REDUCTIONS**

Mr. Breen introduced Carol Allen, Engineering Manager, who gave the staff presentation *Strategies for Accelerating Facility Risk Reductions*, including: outcome; outline; requested action; Rule 11-18 (Reduction of Risk from Air Toxic Emissions at Existing Facilities) implementation process; implementation time estimate; implementation delays; pros and cons of November 2021 program improvements; accelerating Health Risk Assessment (HRA) and Risk Reduction Plan (RRP) approvals; staffing needs and schedule impacts; progress on HRAs; and next steps.

Public Comments

Public comments were given by Jed Holtzman, San Francisco resident; Richard Gray, Sunflower Alliance; and Jan Warren, Interfaith Climate Action Network of Contra Costa County.

Committee Comments

The Committee and staff discussed potential strategies to accelerate HRA and RRP approvals; whether the most recent Board approval for a staffing increase included engineering staff that would alleviate Rule 11-18 Engineering staff of permitting tasks; the intent to prioritize the designation of a group of Engineering staff solely to Rule 11-18 (once the Air District’s management audit is conducted); whether efforts to accelerate the processing of HRAs and RRP in disadvantaged and overburdened communities can complement Community Air Protection Program (Assembly Bill 617) efforts in those same communities; the comparison of the Air District’s current staffing levels compared to those of other air districts in California; and recruitments for/potential costs of additional Engineering staff (to be dedicated solely to Rule 11-18.)

Committee Action

Although this was not an action item, the consensus of the Committee members present was to recommend that Air District staff recommend to the Board that additional staff be hired so that permitting activities may be removed from all modeling staff, thus shortening the estimated time of completion of Health Risk Analyses from five to two years.

**7. PROPOSED 2022 STATIONARY SOURCE AND CLIMATE IMPACTS COMMITTEE MEETING WORK PLAN**

Mr. Breen gave the staff presentation *Introduction to the Stationary Source & Climate Impacts Committee and 2022 Work Plan*, including: outcome; outline; requested action; 2022 Stationary Source and Climate Impacts Committee Work Plan.

Public Comments

Public comments were given by Jed Holtzman, San Francisco resident.

Committee Comments

The Committee and staff discussed whether the Plan includes addressing emissions from the AB&I Foundry (in East Oakland) that pose an elevated health risk to the community and require a risk reduction plan.

Committee Action

None; receive and file.

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

Public comments were submitted via email by Rohan Kaul.

**9. COMMITTEE MEMBER COMMENTS**

None.

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

Monday, March 21, 2022, at 9:00 a.m., via webcast, pursuant to procedures in accordance with Assembly Bill 361.

**11. ADJOURNMENT**

The meeting adjourned at 10:53 am.

Marcy Hirtzka  
Clerk of the Boards

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

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

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 21, 2022

Re: Bay Area Alternative Fuels Projects - Background and Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District is currently evaluating permit applications for the alternative fuels projects from Marathon (Application # 30768) and Phillips 66 (Application # 31157). The proposed projects will convert the existing Marathon and Phillips 66 refineries from its current production of fossil fuels (i.e., conventional diesel fuel, gasoline, distillates propane and various by-products) to the production of alternative fuels, including diesel, propane, and naphtha. As a result of the proposed conversions, both Marathon and Phillips would no longer process crude oil for petroleum-based fuels. However, they will retain the ability to receive, blend and ship petroleum-based materials.

The alternative fuels projects would assist California in meeting its stated goals of reducing GHG emissions and transitioning to carbon neutrality by no later than 2045. The project would provide a mechanism for complying with California's Low-Carbon Fuel Standard and Cap-and-Trade programs and the federal Renewable Fuels Standard, while continuing to meet regional market demand for transportation fuels.

## DISCUSSION

### Marathon Martinez Refinery Renewable Fuels Project

An application was submitted on October 5, 2020, to allow the conversion of Marathon's Martinez Refinery facility from the processing of crude oil to the processing of alternative feedstocks. The alternative feedstocks are expected to include biological based oils (i.e., soybean oil and corn oil), rendered fats (tallow), and other miscellaneous alternative feedstocks including used cooking oils or other vegetable oils. The feedstocks would be processed into diesel, naphtha, propane and treated fuel gas. Marathon Refinery is currently permitted to refine 161,000 barrels per day (bpd) of crude oil. After completion of the project, the facility's capacity will be 48,000 bpd of alternative feedstocks.

The conversion would include modifications to existing processing units, the installation of new units, and removal of obsolete units. New units include an alternative feedstock pretreatment unit, wastewater treatment equipment, and an advanced three-stage low-NO<sub>x</sub> thermal oxidizer. Removed equipment would include a crude unit, gasoline hydrotreater, alkylation unit, fluidized catalytic cracking unit, reformers, delayed coker, steam boilers, sulfuric acid plant, various cooling towers and other units.

Refinery feedstocks and products are to be transported to and from the refinery using rail, marine vessel, and pipeline. Most of the existing truck traffic hauls petroleum coke and transportation fuels. Truck traffic following the alternative fuels conversion is expected to remain about the same, with petroleum coke trucks being replaced with diesel product. Existing rail traffic at the refinery averages about 13 railcars per day with a peak of 27 railcars per day. The alternative fuels project would utilize existing railcar loading racks. Initially, rail traffic would not substantially change. Depending on still undetermined future transportation and logistical plans, rail traffic could increase up to 63 cars per day.

The refinery uses two marine terminals for materials shipping and receipt, the Avon and Amorcó Marine Terminals. In addition to the modifications to the Refinery, the Avon Marine Terminal would be converted from distribution uses to receiving uses primarily. The Amorcó Marine Terminal would be converted from receiving uses to distribution of alternative diesel only. The changes to the two terminals would require amendments to the lease agreements between Marathon and the State Lands Commission (SLC). Any significant change, modification, or re-design to the built facilities (i.e., structural, mooring, fire, piping/pipelines, mechanical or electrical systems) at the Amorcó and Avon Terminals, as well as pending and routine compliance issues, will be subject to the Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) and require SLC review.

Outside the refinery's conversion to feedstock refinement, many of the facility's other operations, including the receipt, storage, and shipment of petroleum-based transportation fuels, would continue, with some modification of existing equipment. Finished petroleum products will not be processed at the facility and will be distributed locally.

Contra Costa County is the lead agency for the California Environmental Quality Act. The Draft Environmental Impact Report (DIEIR) was posted on October 14, 2021, with comments due

December 17, 2021. The Air District sent the following comment letter to Contra Costa County: [https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021\\_1217\\_marathon\\_renewed\\_deir\\_comment\\_ltr-pdf.pdf?la=en&rev=b8347a40407e496f9a01fb77852e0de7](https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021_1217_marathon_renewed_deir_comment_ltr-pdf.pdf?la=en&rev=b8347a40407e496f9a01fb77852e0de7).

#### Phillips 66 Rodeo Renewed Project

An application was submitted on May 24, 2021, to transform the existing Rodeo Refinery into a facility that converts alternative feedstocks into diesel, components of other transportation fuels, and fuel gas using existing refinery process units. Phillips 66 Refinery is currently permitted to refine 117,000 barrels per day (bpd) of crude oil. After completion of the project, the facility's capacity will be 69,000 bpd of alternative feedstocks.

Alternative feedstocks will be primarily delivered across the Marine Terminal. Alternative feedstocks will also be delivered to the Rodeo facility using the existing railcar infrastructure, modified to reflect the elimination of butane exports. Existing equipment will also be modified to enable the offloading of local alternative feedstocks by tanker truck. Upon completion of the Project the Rodeo facility will no longer process conventional or nonconventional crude oils, will operate fewer fired heaters, and will no longer export butanes across the existing rail rack. Truck traffic will decrease because trucks will no longer be needed for the export of coke products (which will no longer be produced) and sulfur production will be significantly reduced. Removed equipment would include heaters, tanks, molten sulfur pits, sulfur recovery units, carbon plant and a crude distillation unit.

The Project includes other changes to Phillips 66's facilities. The Santa Maria facility in San Luis Obispo County that currently provides crude oil feedstocks to the Rodeo facility will be idled and decommissioned. The existing Phillips 66 crude oil pipeline network from the gathering fields in central California to the Rodeo facility will no longer be necessary to support the reconfigured facility and will be active, but out of service. To account for the idling of the Santa Maria facility and to maintain production levels during the transition process, the Project proposes to increase deliveries of crude oil across the Marine Terminal on a short-term (7 months) and transitional basis. This interim increase is not a Marine Terminal expansion, nor does it require any physical construction. Once the Rodeo Renewed Project is complete, the Marine Terminal will end crude oil deliveries.

Contra Costa County is the lead agency for the California Environmental Quality Act. The Draft Environmental Impact Report (DEIR) was posted on October 14, 2021, with comments due December 17, 2021. The Air District sent the following comment letter to Contra Costa County: [https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021\\_1217\\_p66\\_renewed\\_deir\\_comment\\_ltr-pdf.pdf?la=en&rev=188621aa22b64deab660b662e4e84ad6](https://www.baaqmd.gov/~media/files/planning-and-research/ceqa-letters/2021/2021_1217_p66_renewed_deir_comment_ltr-pdf.pdf?la=en&rev=188621aa22b64deab660b662e4e84ad6).

#### Next Steps

Marathon and Phillips 66 submitted the air permit applications for the Alternative Fuels Projects on October 5, 2020, and May 24, 2021, respectively. The County of Contra Costa posted the CEQA's Notices of Preparation for Marathon on February 17, 2021, and on December 21, 2020, for Phillips 66. The draft Environmental Impact Reports for Marathon and Phillips 66 were put

on public notice on October 14, 2021, and the Air District submitted comments for both Alternative Fuels Projects to the County of Contra Costa on December 17, 2021. The Air District deemed Marathon's air permit application complete on December 15, 2021, and Phillips 66's on February 14, 2022. Both Alternative Fuels Projects passed the Health Risk Assessments on December 16, 2021 (Marathon) and January 7, 2022 (Phillips 66). The Authority to Construct (AC) issuance for both projects will be pending upon CEQA approval. For Marathon, the estimated Alternative Fuels Project startup will be the date of AC issuance plus 6 months for Phase I. Phase II will be the AC issuance date plus 16 months and Phase III will be the AC issuance date plus 19 months. For Phillips 66, the estimated Alternative Fuels Project startup will be in early 2024, close to Marathon's Phase III.

Staff will continue to evaluate the alternative fuels projects for the Martinez Refinery and Phillips 66. The EIR for the Marathon Martinez Refinery Renewable Fuels Project will be brought before the Contra Costa County Planning Commission for certification on March 23, 2022. The date to bring the EIR for the Phillips 66 Rodeo Renewed Project for certification to the Contra Costa County Planning Commission has not been determined. After certification of the respective project EIRs, the Air District can issue the Authority to Construct for the alternative fuel projects.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Danny Nip  
Reviewed by: Pamela Leong and Damian Breen



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

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

From: Alexander Crockett  
Interim Acting Executive Officer/APCO

Date: March 21, 2022

Re: Major Stationary Source Community Air Monitoring (Schedule X Fees)

RECOMMENDED ACTION

None; Information only, receive and file.

BACKGROUND

In 2016, the Air District amended Regulation 3 (Fees) to establish a new fee schedule (Schedule X) to recover the costs associated with its new Major Stationary Source Community Air Monitoring Program (Program). The goal of the Program is to establish monitoring stations in areas where major stationary sources may contribute to air quality impacts that are not captured by the Air District's existing monitoring network.

DISCUSSION

In 2018, the Air District launched the Major Stationary Source Community Air Monitoring Program with a series of community workshops to gather information about air quality concerns and suggested monitoring locations. With this input, District staff assessed available data on meteorology, monitoring, modeling, and disparities in environmental exposure to identify general areas near each refinery where monitors could be placed. These assessments are described in a report with an overview of the Program and the general process for identifying new community air monitoring locations. The report and technical appendices are posted on the Air District's web page for Special Air Monitoring Projects at <https://www.baaqmd.gov/about-air-quality/special-air-monitoring-projects>.

After conducting a public workshop and completing a preliminary assessment for the Valero refinery, Air District staff began in late 2018 to contact property owners in Benicia about the prospect of installing a monitoring station at specific locations near the Valero refinery. In 2019, the Air District focused on finalizing logistics for one location, but the property owners reconsidered their interest in hosting a monitoring station. Throughout 2020, Air District staff subsequently worked with the Benicia Fire Chief, Deputy City Manager, and City Manager to identify twenty-nine alternate locations on City property. After visiting all twenty-nine sites and assessing their viability, the Air District narrowed its search to three candidate sites.

Following its extensive search for potential monitoring sites in the City of Benicia, the Air District held a public workshop on June 30, 2021 to gather public input on the three candidate locations. On March 3, 2022, the City of Benicia City Council approved to accept the Air District lease agreement at the Benicia Fire Museum. Currently, the lease is routing through the City of Benicia for signatures.

Air District staff will present the steps taken to identify candidate sites, status of the Benicia community air monitoring station, and next steps for development of monitoring stations in the other refinery communities.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Alexander Crockett  
Interim Acting Executive Officer/APCO

Prepared by: Ila Perkins, Joe Lapka, Kate Hoag, Brian Butler, Kristen Law  
Reviewed by: Ranyee Chiang