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**FILED**

**FEB 24 2022**

**HEARING BOARD  
BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT**

**BEFORE THE HEARING BOARD OF THE  
BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

AIR POLLUTION CONTROL OFFICER of the  
BAY AREA AIR QUALITY MANAGEMENT  
DISTRICT,

Complainant,

v.

CHEMTRADE WEST US, LLC,

Respondent.

DOCKET NO. 3732

ACCUSATION AND  
STIPULATED CONDITIONAL  
ORDER FOR ABATEMENT  
REGULATION 1, RULE 522

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The above-captioned matter is an “Accusation and Stipulated Conditional Order For Abatement” (the “Stipulated Order”) filed by Complainant, the Air Pollution Control Officer ("APCO") of the Bay Area Air Quality Management District ("District", “Air District”, or “BAAQMD”) against Respondent Chemtrade West US, LLC (“Chemtrade” or “Respondent”). The District is the regional agency with primary responsibility for the control of air pollution from stationary sources in the San Francisco Bay Area Air Basin. Respondent operates the Chemtrade sulfuric acid manufacturing plant at 525 Castro Street, Richmond, California 94801, Facility No. A0023 (the “Plant” or “Facility”). The Facility is a source of sulfur dioxide (“SO<sub>2</sub>”) emissions which are monitored, in part, by a Continuous Emissions Monitoring System (“CEMS”) on its Sulfuric Acid Manufacturing Plant (“S-1”). District staff have determined that the S-1 CEMS is improperly configured and cannot comply with applicable monitoring requirements without replacement and reconfiguration.

1 This Stipulated Order requests that this Hearing Board enter a Conditional Order for  
2 Abatement against Respondent that would require Respondent to refrain from operating its Plant after  
3 the deadlines stated below unless Respondent has completed all Compliance Actions enumerated below  
4 by their indicated deadlines. All Compliance Actions refer specifically to the CEMS unit installed at  
5 S-1.

6  
7 **FACTUAL BACKGROUND**

8 A. Chemtrade is a sulfuric acid manufacturing facility and the source, S-1 (sulfuric acid plant), is a contact  
9 process served by a catalytic converter tower, abated by a mist eliminator and an emergency caustic  
10 scrubber system. Chemtrade has had a federal operating permit (Title V) with the Bay Area Air Quality  
11 Management District (Air District) since acquiring the facility from General Chemical in January of 2014.  
12 The maximum production capacity of the plant is 219,000 tons/year of 100% H<sub>2</sub>SO<sub>4</sub> acid produced.  
13 Chemtrade receives spent sulfuric acid by pipeline from the nearby Chevron Richmond Refinery and  
14 regenerates it for sale back to the Chevron Richmond Refinery as well as producing various strength acid  
15 for other customers.

16 B. On July 30, 2018, the Air District received a revised Title V Semi-Annual Report from Chemtrade.  
17 The report included a failed Relative Accuracy Test Audit (RATA) for Chemtrade's Oxygen (O<sub>2</sub>) analyzer  
18 on Chemtrade's continuous emissions monitoring system (CEMS) on June 14, 2018. The results were  
19 submitted to the Air District on July 3, 2018 and the source was retested on July 25, 2018. On October 7,  
20 2019, the Air District received a deviation report from Chemtrade for failing to conduct daily calibrations  
21 of its O<sub>2</sub> analyzer for the week of September 23, 2019.

22 C. On March 8, 2021, Air District Compliance and Enforcement (C&E) staff conducted a site inspection,  
23 and notified Chemtrade that it was in violation of the Air District's Manual of Procedures (MOP) Volume  
24 V, Section 5.2 for failure to conduct daily calibrations appropriately. On March 10, 2021, Air District  
25 C&E and Meteorology and Measurements Division (M&M) staff again visited Chemtrade. On March 16,  
26 2021, Air District staff issued Chemtrade a Reg. 1, Sec. 441 (1-441) request for historic CEMS data and  
27 related CEMS records, which Chemtrade responded to in part on April 15, 2021, and in full on May 14,  
28 2021, after being granted a partial extension.

1 D. On June 8, 2021, the Air District issued three notices of violation (NOVs), A59547, A59548, and  
2 A59549, to Chemtrade which alleged 18 different violations of District regulations, including Regs. 1-  
3 522, 2-6, and 9-1. On June 18, 2021, Chemtrade submitted a letter in response to those NOVs alleging  
4 that some of the cited violations had been the subject of, and had been resolved by, prior NOVs, alleging  
5 that some of the cited regulations were not applicable to Chemtrade, and offering corrective actions. On  
6 September 9, 2021, Air District staff and Chemtrade staff met to discuss the alleged violations and a path  
7 forward to compliance. As a result of that meeting, Chemtrade believed, erroneously, that the Air District  
8 would not accept interim measures to achieve partial compliance. On September 23, 2021, Chemtrade  
9 submitted a letter to the Air District which detailed its plans to install a new CEMS at its facility beginning  
10 with the submission of design criteria in October 2021, followed by design approval in March 2022, and  
11 installation of a new CEMS during the facility’s maintenance turnaround in September and October 2022.  
12 Air District staff responded on October 19, 2021, requesting details of Chemtrade’s proposed CEMS  
13 installation plan and schedule and asking whether Chemtrade proposed interim compliance measures to  
14 address ongoing violations. On October 20, 2021, Air District staff again met with Chemtrade at the  
15 facility. The Air District clarified its position that partial compliance is always preferable to ongoing non-  
16 compliance and provided examples of steps that could be taken to achieve partial compliance. On October  
17 29, 2021, Chemtrade submitted to the Air District its CEMS replacement design specifications and  
18 installation plans as proposed in its September 23, 2021 letter and as required under Reg. 1, Sec. 522.1.

19 E. On November 3, 2021, Chemtrade formally responded to the Air District’s October 19 letter stating  
20 that it would propose interim compliance measures, in addition to installing a new CEMS. On December  
21 9, 2021, the Air District sent Chemtrade a letter in response to Chemtrade’s October 29, 2021 CEMS  
22 replacement design specifications and installation plan. The Air District’s response provided a list of  
23 interim compliance actions that Chemtrade could take to bring its existing CEMS into compliance. That  
24 list of interim compliance actions is the same list provided in the “Compliance Actions” section below. If  
25 Chemtrade performs the compliance actions set forth below, the CEMS will be in compliance with Air  
26 District regulations and Title V requirements.

1 **CONDITIONAL ORDER FOR ABATEMENT**

2 Cause being found therefore, pursuant to Sections 42451(b) and 42452 of the California  
3 Health and Safety Code, THE HEARING BOARD of the BAY AREA AIR QUALITY  
4 MANAGEMENT DISTRICT hereby ORDERS:

5 Respondent Chemtrade West US, LLC shall refrain from operating its Plant after the compliance  
6 action deadlines stated below, unless Respondent has completed all compliance actions enumerated below  
7 by their indicated deadlines.

8  
9 **COMPLIANCE ACTIONS**

- 10 I.1 Adequately heat and maintain sample line above moisture dew point of stack gas. Install new/used  
11 or rental sample line if necessary. (Reg. 1-522.10). Complete by 4/15/2022.
- 12 I.2 Install calibration gas line to existing “T” on CEM probe and ensure daily calibrations challenge  
13 the entire CEM system. (Reg. 1-522.5, MOP Vol. V, Section 5.2) Complete by 4/15/2022.
- 14 I.3 Ensure daily calibrations (O2 and SO2) are being conducted and are passing performance criteria.  
15 This can be achieved manually or automatically through the use of software.  
16 (Reg. 1-522.5, MOP Vol. V, Section 5.2). Complete by 4/15/2022.
- 17 I.4 Install new/used or rental sample conditioning system for removal of moisture or directly measure  
18 moisture content in real-time. Alternatively, indicate to the District that a default value of 3 percent  
19 moisture will be assumed for all periods. (SO2 limit = 300 ppm dry). Complete by 4/15/2022.
- 20 I.5 Install new/used or rental stack flow probe or develop an alternative approach to measure stack  
21 flow in dry standard cubic feet (dscf). (Reg. 1-522.10, MOP Vol. V, Section 3). Complete by  
22 4/15/2022.
- 23 I.6 Ensure daily calibration records are being maintained and available upon request.  
24 (MOP Vol. V, Sec. 5.2, Reg. 1-522.9). Complete by 4/15/2022.
- 25 I.7 Conduct 7-day calibration drift procedure and a Relative Accuracy Test Audit (RATA) on O2/SO2  
26 analyzers as detailed in EPA 40 CFR 60, App. B, Performance Specification 2. The final report  
27 for the RATA shall include: exhaust gas flow rate in standard cubic feet per minute (scfm), exhaust  
28 gas moisture content (%), percent oxygen content (%), raw sulfur dioxide concentration (ppm),

1 sulfur dioxide concentration at 12 percent oxygen (ppm, dry basis), and sulfur dioxide mass  
2 emission rate (lb/hour). Complete by 5/2/2022.

3 I.8 Submit 7-Day drift and RATA results to the recipients below within 45 days of testing.  
4 (Reg. 1-522.3). Submit by 6/16/2022.

5 Bay Area Air Quality Management District  
6 Compliance and Enforcement Division  
7 Jeff Gove, Director of Compliance and Enforcement  
8 375 Beale Street, Suite 600  
9 San Francisco, CA 94105  
10 [jgove@baaqmd.gov](mailto:jgove@baaqmd.gov)

11 and

12 Bay Area Air Quality Management District  
13 Meteorology and Measurement Division  
14 Jerry Bovee, Manager of Meteorology and Measurement  
15 375 Beale Street, Suite 600  
16 San Francisco, CA 94105  
17 [Jbovee@baaqmd.gov](mailto:Jbovee@baaqmd.gov)

18 SO AGREED, STIPULATED AND EXECUTED.

19 ADAN SCHWARTZ  
20 ACTING DISTRICT COUNSEL  
21 BAY AREA AIR QUALITY  
22 MANAGEMENT DISTRICT  
23 375 Beale Street, Suite 600  
24 San Francisco, CA 94105

25 By: \_\_\_\_\_

26   
27 JOEL FREID  
28 ASSISTANT COUNSEL II  
COUNSEL FOR THE AIR  
POLLUTION CONTROL OFFICER

DATE: 2/18/22

1 CHEMTRADE WEST US, LLC,  
2 525 Castro Street  
3 Richmond, California 94801  
4

5 By: 

6 NAME: Michael Shepherd

7 TITLE: Plant Manager

8  
9 DATE: 02/18/22

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11 Moved by:

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13 Seconded by:

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15 AYES:

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17 NOES:

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VALERIE ARMENTO, CHAIR

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**FEB 24 2022**

HEARING BOARD  
BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

**BEFORE THE HEARING BOARD OF THE  
BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
STATE OF CALIFORNIA**

AIR POLLUTION CONTROL OFFICER of the  
BAY AREA AIR QUALITY MANAGEMENT DISTRICT

DOCKET NO. 3732

CERTIFICATE OF SERVICE

Complainant,

vs.

CHEMTRADE WEST US, LLC – CALIFORNIA,

Respondents.

I, Magnolia Vinluan-Chan, declare as follows:

I am over the age of 18, not a party to this action and am employed in the City and County of San Francisco at 375 Beale Street, San Francisco, CA 94105.

I served the following documents to the addressees listed below at the addresses specified:

- **FEBRUARY 24, 2022 LETTER TO THE HONORABLE VALERIE ARMENTO**
- **BAY AREA AIR QUALITY MANAGEMENT DISTRICT’S ACCUSATION AND STIPULATED CONDITIONAL ORDER FOR ABATEMENT REGULATION 1, RULE 522**
- **NOTICE OF DEFENSE**
- **STATEMENT TO RESPONDENT**
- **CALIFORNIA GOVERNMENT CODE SECTIONS 11507.5-11507.7**

- 1  By placing the document(s) listed above in a sealed envelope to be sent by Certified,  
Return Receipt mail with postage thereon fully prepaid, in the United States mail at San  
2 Francisco, California addressed to the person(s) at the address(es) set forth below.  
3  By causing personal delivery of the above documents at the address(es) set forth below.  
4  By causing the above documents to be sent to the persons at the electronic notification  
addresses(es) set forth below.

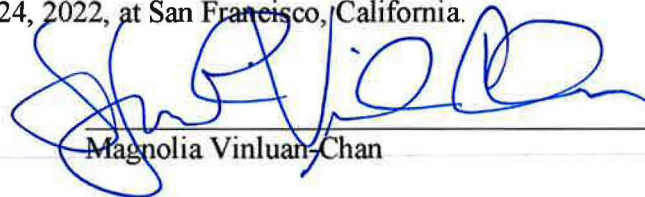
5 On February 24, 2022, I served the above-listed documents to the addressees at the addresses  
6 listed below:

7  
8 R. Morgan Gilhuly  
BARG COFFIN LEWIS & TRAPP, LLP  
9 600 Montgomery Street, Suite 525  
San Francisco, CA 94111-2706  
10 Tel.: (415) 228-5460  
11 Email: mgilhuly@bargcoffin.com

12 I am readily familiar with the Bay Area Air Quality Management District's practice of  
13 collection and processing of the mail. Under that practice, the mail would be deposited with the U.S.  
14 Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business.

15 I declare under penalty of perjury under the laws of the State of California that the above  
16 is true and correct.

17 Executed on February 24, 2022, at San Francisco, California.

18   
19 \_\_\_\_\_  
Magnolia Vinluan-Chan