





LETTER FROM THE EXECUTIVE OFFICER

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This past year, the Air District began preparing a Regional Climate Protection Strategy as part of the 2016 Clean Air Plan, which will establish a plan of action toward aggressive long-term greenhouse gas reduction goals.

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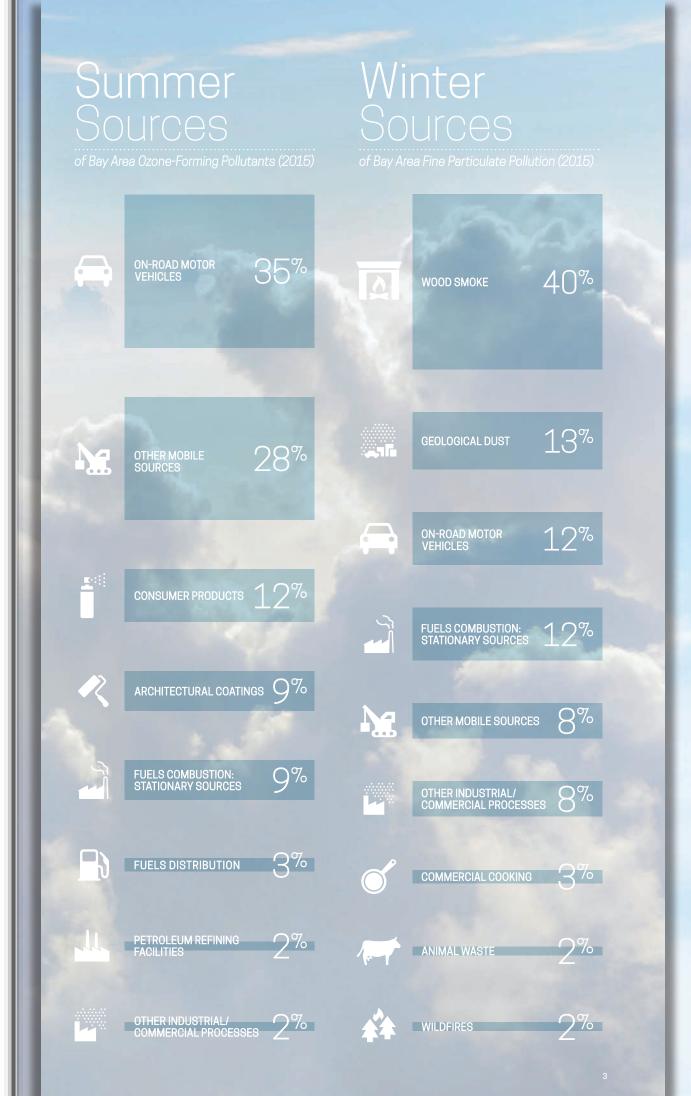
To help us reduce wintertime pollution, we updated the Air District's wood-burning regulation. The amended rule will prohibit wood-burning devices from being installed in new building construction throughout the nine counties. Later this year, we will launch a wood stove change-out program that will assist Bay Area households in moving to cleaner, more efficient heating devices.

At the end of 2015, our Board of Directors unanimously adopted Regulation 6-5, that requires reduction of harmful PM2.5 from refinery equipment. The Board also amended Regulations 11-10 and 8-18 that strengthen leak detection and require expedited repairs of refinery equipment.

We have continued to fulfill our core duty of enforcing air quality regulations, issuing permits, and forecasting and monitoring air quality throughout the region.

As the Air District's Executive Officer, I am proud of our work protecting the health of Bay Area residents and leading the way toward a clean air future. I hope you enjoy this review of our work over the past year.

JACK P. BROADBENT
Executive Officer
Air Pollution Control Officer



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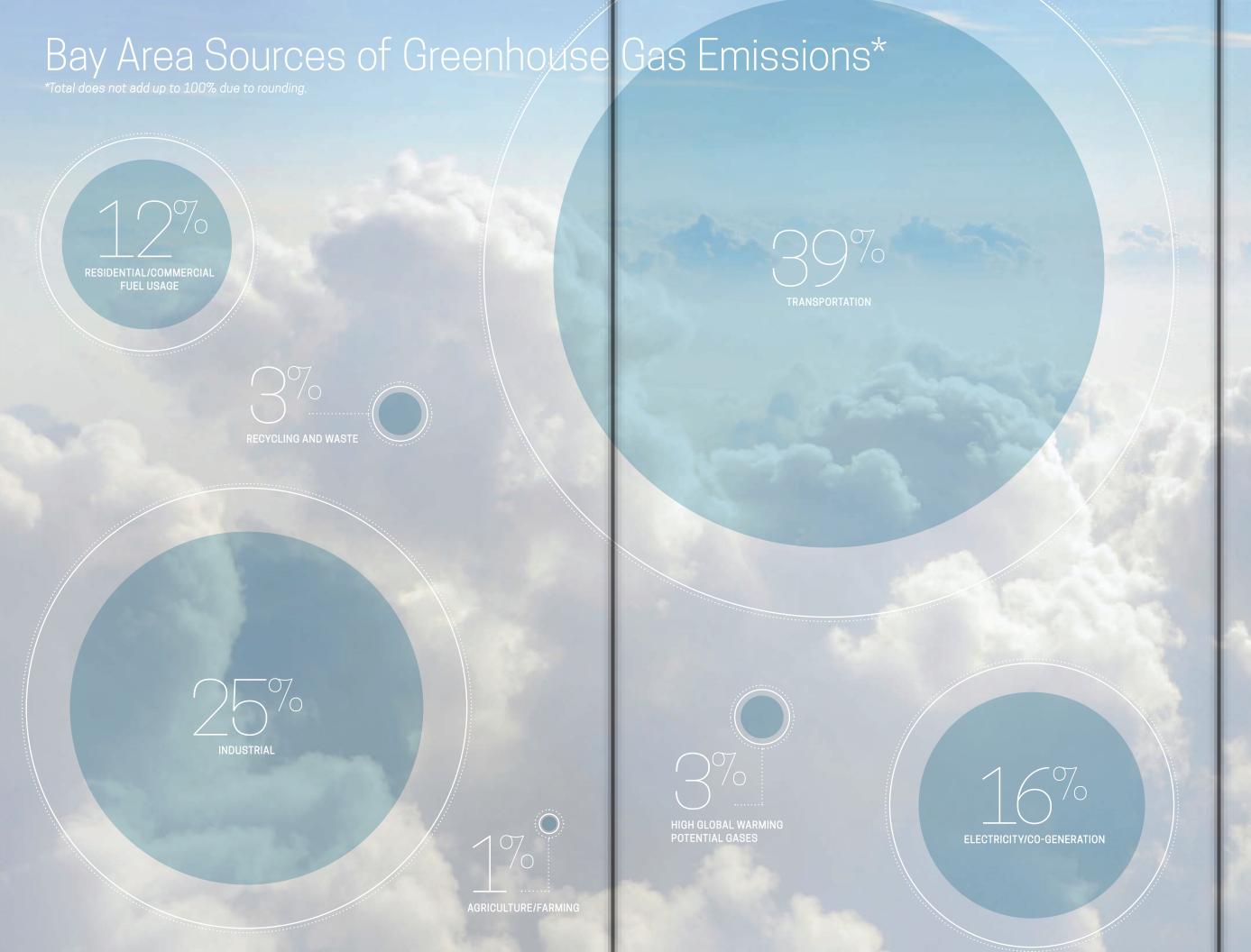
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OLOGICAL DUST





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Extended Outlook



2016 Clean Air Plan Last year, the Air District began work on the 2016 Clean Air Plan, detailing the agency's efforts over the next few years to reduce air pollution and protect public health and the global climate. The plan will also include the Bay Area's first ever comprehensive Regional Climate Protection Strategy, which will identify potential rules and strategies that the Air District can pursue to reduce greenhouse gases in the region.



Climate Protection Program

In 2015, the Air District stepped up its commitment to be a climate leader by establishing a new, distinct Climate Protection Section within the Planning Division. This section will coordinate the Air District's climate protection activities throughout the Air District. Staff began preparing a Regional Climate Protection Strategy as a key element of our 2016 Clean Air Plan. The Regional Climate Protection Strategy—to be finalized in 2016—will identify actions the Air District will undertake to help achieve aggressive long-term greenhouse gas reduction goals for the Bay Area established by the Board of Directors.



Consumption-Based Greenhouse Gas Inventory In 2015, the Air District completed a consumption-based greenhouse gas emissions inventory, which estimates the amount of GHGs emitted anywhere in the world by the production of goods and services consumed by Bay Area residents. Also in 2015, the agency launched a greenhouse gas monitoring network that will track trends in GHGs over time and provide detailed information about Bay Area sources of GHGs. This network will be expanded in 2016. The consumption-based inventory and the GHG monitoring network provide information to support technical programs, public engagement campaigns and other initiatives summarized in the Regional Climate Protection Strategy.



Refinery Rule and Emissions Reduction Strategy In December 2015, the Air District adopted one rule and two rule amendments as part of a new effort to tighten air pollution controls on petroleum refining activity in the Bay Area. The recent amendments are the first step in implementing the Air District's Refinery Emissions Reduction Strategy, which will reduce emissions from Bay Area refineries by as much as 20 percent by 2020.

Three additional refinery rules are moving through the public review process and will be considered by the Air District Board later in 2016.



Wood Burning Rule and Wood Stove Change-Out Program In October 2015, the Air District adopted a set of strong new amendments that significantly improve the agency's wood-burning regulation, which is designed to safeguard public health against the hazards of fine particle pollution. Among other provisions, the amended rule will prohibit wood-burning devices from being installed in new building construction.

In February 2016, the Air District approved \$3 million for a fireplace and wood stove change-out program to provide cleaner, more efficient heating devices for nearly 1,300 households. Increased funding will be available for low-income households.



James Carey Smith Community Grants

In January 2016, the Air District awarded more than \$250,000 to 11 community-based partnership projects within the nine-county Bay Area region. These projects will increase awareness about air quality issues and initiate activities to reduce air pollution. Ten of the selected projects are located in Bay Area communities—identified through the Air District's Community Air Risk Evaluation, or CARE, program—that experience concentrated air pollution and related public health impacts.



Clean Air Vehicle Incentives and Infrastructure Expansion In May 2015, the Air District approved the allocation of \$14 million in funding for programs that promote and accelerate plug-in electric vehicle, or PEV, usage in the Bay Area. The funds support the expansion of charging stations at workplaces, multi-unit dwellings, transportation corridors and at key destinations. The funding facilitates clean air vehicle leasing for government agencies, and provides incentives for operators of light-duty vehicle fleets and heavy-duty vehicles and buses to purchase clean air vehicles.

In May 2015, the Air District awarded \$2.2 million in funding for the completion of 12 new hydrogen refueling cell stations in the Bay Area. All 12 hydrogen stations are scheduled to be in service in 2016.



Caltrain Electrification Project

In July 2015, the Air District approved the allocation of \$20 million to help fund the electrification of the Caltrain corridor. Key benefits associated with electrifying the 51 miles of rail line between San Francisco and San Jose include a reduction of greenhouse gases, increased frequency and speed of train service, reduced engine noise and reduced traffic congestion from automobiles. Caltrain expects to start operating the electric trains by the winter of 2020.



Zero-Emission Airport Equipment In March 2015, the Air District awarded \$2.5 million to United Airlines, Inc. to fund the replacement of 87 diesel-powered ground support equipment units with zero-emission alternatives at the San Francisco International Airport. This is the largest Air District grant issued for purchasing zero-emission airport equipment in the Bay Area and replaces old, diesel-powered aircraft tow/tug vehicles with electric, zero-emission equivalents.



Agricultural Waste Chipping Program

In 2015, the Air District began sponsoring no-charge chipping services to dispose of agricultural waste material in lieu of open burning for qualifying agricultural operations located within the Bay Area. Chipping materials from orchards, vineyards and other agricultural enterprises reduces unhealthy fine particle emissions. The program was renewed in 2016 with a budget of \$150,000 and will continue through December 31, 2016, or until funds are exhausted, whichever occurs first.

Grant Programs

Carl Moyer Program/	Total Funds Awarded	\$19.3M
Mobile Source Incentive	Number of Engines Covered by Grant Projects	255
Fund (MSIF)—2015	Estimated Lifetime Emissions Reduction for the Project	s Funded (tons)
, Land	Reactive Organic Gases (ROG)	50
	Oxides of Nitrogen (NOx)	384
	Particulate Matter (PM10)	18
	TOTAL	452
Goods Movement	Total Funds Awarded	\$8.1M
Program—2015	Number of Engines Covered by Grant Projects	199
110grain 2010	Estimated Lifetime Emissions Reduction for the Project	s Funded (tons)
	NOx	658
	PM10	6
	TOTAL	664
TFCA Regional Fund	Total Funds Awarded	\$10.9M
Grants—2015	Number of Projects/Programs Awarded Grants	67
Glants—2010	Estimated Lifetime Emissions Reduction for the Project	
	ROG	41.43
	NOx	52.61
	PM10	42.10
	TOTAL	136.14
	Carbon Dioxide (CO ₂)	85,151.70
TFCA County Program	Total Funds Awarded	\$11.4M
Manager Fund Grants—	Number of Projects/Programs Awarded Grants	64
FYE 2015	Estimated Lifetime Emissions Reduction for the Project	s Funded (tons)
1122010	ROG	59.09
	NOx	52.61
	PM10	50.76
	TOTAL	162.46
	CO ₂	88,427.68
Lower Emission School	Bus Replacements, Retrofits and CNG Tank Replacement	ts (MSIF funds)
Bus Program—2015	Total Funds Awarded	\$2.6M
Dao i Togram 2010	Number of Buses Awarded Grants	63
Vehicle Buy Back	Total Funds Awarded	\$6.5M
Program—2015	Number of Vehicles Scrapped in 2015	6,139
Flograni—2015	Estimated Lifetime Emissions Reduction for the Project.	
	ROG	319
	NOx	229
	PM	3
	TOTAL	551

Legislation and CARE Program



2015 Legislative Summary

One critical piece of legislation that directly affects the Air District was SB 513, authored by Senator Jim Beall and sponsored by the California Air Pollution Control Officers Association. This bill provides modernization to the Carl Moyer and AB 923 incentive programs that the Air District administers.

The bill expands project categories for both programs, allows the Carl Moyer program to adapt to future clean technologies, and establishes a process to adjust the outdated cost-effectiveness limit—including for projects providing co-benefits such as greenhouse gas reductions or air quality improvements in the most polluted communities. It encourages leveraging with other funding sources, and streamlines and updates administrative requirements. This bill was signed into law by the governor in October.

Two other bills supported by the Air District were passed by the legislature with significant modifications and signed into law:

- SB 350 (De Leon), which increases the renewable portfolio standard to 50 percent renewables by 2030 (the current RPS is 33 percent by 2020), and increases the energy efficiency of existing buildings by 50 percent by 2030. A third provision, calling for cutting petroleum use by 50 percent by 2030, was eliminated.
- AB 1288 (Atkins), adds two new seats to the Air Resources Board. The new board members will essentially represent environmental justice communities. Key components of the bill were cut that would have extended ARB's authority to implement cap-and-trade programs beyond 2020 and to direct cap-and-trade revenues into disadvantaged communities after 2020.

SB 773 (Allen), sponsored by the Air District did not pass the legislature this year, but is eligible to be heard in 2016. The bill would allow for a University of California study of the effect of unregistered and out-of-state vehicles on air quality and lost revenue.

Six other bills supported by the Air District failed to pass, including SB 32 (Pavley), which was a bill to extend AB 32 beyond 2020 and essentially require that California achieve 1990 levels of greenhouse gas emissions by 2020. The bill failed to pass the Assembly floor, but an amended version can be considered in 2016.

None of the 10 bills that the Air District opposed in 2015 became law, many of which would have limited or constrained California's efforts to cut greenhouse gas emissions or to implement existing programs to cut air pollution.



Community Air Risk Evaluation (CARE) Program 2015 Accomplishments

In 2015, the Air District began developing updated and refined air pollution emission estimates for detailed modeling of fine particulate matter concentrations and community health risk from nearby pollution sources. These updated emissions can be used to:

- Map areas with higher pollution impacts
- Support Planning Healthy Places guidance
- Update and develop Community Risk Reduction Plans

In recent years, advancements in air quality monitoring technology have enabled exciting opportunities to conduct detailed, localized air quality studies. The Air District is collaborating with researchers from the University of Washington to measure nearroadway pollution levels in Oakland and with researchers from UC Berkeley to install networks of devices in Oakland and San Francisco to map air pollution levels and help track greenhouse gas trends. In 2016, Air District staff will continue to collaborate with air quality researchers and community members to investigate and implement networks of air quality sensors to improve our understanding of local air quality conditions.

2015 by the Numbers

REVENUE	
Permit-Related Revenue	55%
County Property Tax	35%
Federal Grants	
State and Other Grants	

EXPENDITURES Personnel 70% Services and Supplies 23% Capital Outlay 7%

BAY AREA AIR QUALITY 2015 Exceedances of Air Quality Standards	
OZONE	
Days over National 8-Hour Standard	5
Days over California 1-Hour Standard	
Days over California 8-Hour Standard	11
PARTICULATE MATTER	
Days over National 24-Hour PM10 Standard	0
Days over California 24-Hour PM10 Standard	
Days over National 24-Hour PM2.5 Standard	9

RULEMAKING ACTIVITY
2015 Rules Adopted or Amended
JUNE 3, 2015
Regulation 3: Fees—amendments adopted
DECEMBER 16, 2015
Regulation 6, Rule 5: Cooling Towers adopted
Regulation 8, Rule 18: Equipment Leaks—amendments adopted
Regulation 11, Rule 10: Cooling Towers—amendments adopted

PERMITTING ACTIVITY	
BAY AREA PERMITTED FACILITIES	
Refineries	5
Major Facilities Excluding Refineries	84
Gasoline Dispensing Facilities	2,365
All Other Facilities	8,860
TOTAL	11,314
Permitted Devices and Operations	25,487
NEW PERMIT APPLICATIONS	
Major Source Review (Title V)	54
	993
TOTAL	1,047

HEALTH RISK SCREENING ANALYSES	
Diesel Engines	
Gasoline Dispensing	
Other Commercial/Industrial	61
TOTAL	304
COMPLIANCE AND ENFORCEMENT ACTIVITY	
2015 COMPLIANCE INSPECTIONS	
Source Inspections	7,218
Air Pollution Complaints (Excluding Smoking Vehicles)	9,753
Gasoline Dispensing Facility Inspections	707
Asbestos Inspections	1,860
Reportable Compliance Activities	451
Diesel Compliance and Grant Inspections	1,906
TOTAL	21.895
2015 CIVIL PENALTIES AND VIOLATIONS	
Civil Penalties	\$6,112,931
Violations Resolved with Penalties	441
AIR POLLUTION COMPLAINT CATEGORIES	
TOTAL COMPLAINTS	12,889
Odor	38.5%
Wood Smoke	31.4%
Smoking Vehicle	24.3%
Dust	2.8%
Asbestos	1.1%
Miscellaneous Categories (including Smoke,	
Outdoor Burning and Gas Stations)	1.8%
SOURCE TEST ACTIVITY	
2015 Number of Source Tests	450
Refinery Source Tests	152
Compliance Rate	98.0%
Title V Facility Source Tests (Excluding Refineries)	146
Compliance Rate	98.6%
Gasoline Cargo Tank Source Tests	354
Compliance Rate	97.2%
Gasoline-Dispensing Facility Source Tests	90
Compliance Rate	86.7%
Other Miscellaneous Source Tests	16,130
Compliance Rate	99.7%
TOTAL SOURCE TESTS	16,130
TOTAL VIOLATIONS	68
COMPLIANCE RATE	99.6%
LARGRATORY	
LABORATORY 2015 Samples Analyzed in the Lab	
PM*	3,280

786 308 7

Current Board Members

Rebecca Kaplan Scott Haggerty Nate Miley

John Gioia David E. Hudson, Secretary Karen Mitchoff

Mark Ross

SAN FRANCISCO COUNTY

Jan Pepper Rod G. Sinks

SOLANO COUNTY

Contact Information

AIR POLLUTION COMPLAINTS 800.334.0DOR (6367)

AIR QUALITY INFO 800.HELP.AIR (435.7247) Daily Air Quality Forecasts, Spare the Air Alerts, Agricultural Burn Days

COMPLIANCE ASSISTANCE 415.749.4999

ENGINEERING SERVICES 415.749.4990

PUBLIC INFORMATION

REPORT SMOKING VEHICLES 800.EXHAUST (394.2878) www.SmokingVehicleHelp.org

WINTER SPARE THE AIR ALERTS 877.4NO.BURN (466.2876)

www.baaqmd.gov www.sparetheair.org www.twitter.com/@sparetheair www.facebook.com/sparetheair www.twitter.com/@airdistrict www.facebook.com/bayareaairdistrict



















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It is the Air District's policy to provide fair and equal access to the benefits of a program or activity that we administer. 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 us. 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 with us under this policy. This non-discrimination policy also applies to other people or entities affiliated with the Air District, including contractors or grantees that we utilize 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 one of our programs or activities, 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 Non-Discrimination Coordinator, Rex Sanders, at 415.749.4951 or by email at rsanders@baaqmd.gov.