

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000**

APPROVED MINUTES

Summary of Board of Directors
Stationary Source Committee Meeting
9:30 a.m., Monday, November 24, 2003

1. Call to Order – Roll Call: 9:34 a.m.

Roll Call: Mark DeSaulnier, Chairperson; Jerry Hill, Julia Miller, Mark Ross, John Silva, Marland Townsend, Gayle Uilkema.

Absent: Shelia Young.

Also Present: Scott Haggerty (9:47 a.m.), Pam Torliatt (9:47 a.m.).

2. Public Comment Period: There were none.

3. Approval of Minutes of May 21, 2003 and June 18, 2003: Director Townsend moved approval of the minutes; seconded by Director Hill; carried unanimously by acclamation.

4. Report on Control Measure SS 17: Proposed Amendments to Regulation 8, Rule 10: Process Vessel Depressurization: *Staff gave a status report on the development of Control Measure SS-17 from the 2001 Ozone Attainment Plan, Regulation 8, Rule 10: Process Vessel Depressurization. A hearing before the full Board is scheduled for January 21, 2004 to consider adoption. This is an information item only.*

Peter Hess, Deputy APCO, stated that two Rules were being brought to the Committee today and noted that they are the final rules that would fulfill the District's obligation to the Environmental Protection Agency (EPA) to receive a status of full attainment.

Alex Ezersky, Air Quality Specialist, presented the report and stated that the Rule was adopted in 1982 and amended in 1983. Mr. Ezersky provided a basic overview of the Rule and discussed the following:

- The Rule development process.
- A process unit description, which included:
 - Depressurization for process unit turnarounds.
 - Scheduled activities for maintenance.
 - Plans to provide safe shutdown and access.
 - The controlled shutdown
- A summary of the proposed amendments.

- The currently regulated process vessels.
- The current situations when a vessel is depressurized and how the proposed amendments expand applicability.
- How the Rule establishes an emission standard.
- The emissions monitoring requirement.
- The emission reduction and costs.
- The benefits of the proposed amendments.

In response to a question from Director Townsend, Mr. Ezersky stated that during the depressurization process, the materials that can be used would be sent to process vessels, other material will be sent to storage tanks and then the vessel will be swept clean.

There was discussion on the workshops on the proposed amendments to the Rule and the approximate \$25,000 annual facility cost for monitoring. There was a brief discussion on the marine loading rule that will come before the Board during the first quarter of next year. Director Uilkema requested staff keep her updated on the progress of the marine loading rule. In response to a question from Director Ross, Mr. Hess noted that if there is an emergency situation, the facility could apply for relief from the Hearing Board.

Committee Action: None. This report provided for information only.

5. **Report on Control Measure SS-16: Proposed Amendments to Regulation 8, Rule 18: Equipment Leaks:** *Staff gave a status report on the development of Control Measure SS-16 from the 2001 Ozone Attainment Plan. Regulation 8, Rule 18: Equipment Leaks. A Board hearing is scheduled for January 21, 2004 to consider adoption. This is an information item only.*

Victor Douglas, Air Quality Specialist, presented the report and stated that there are refineries that have 20,000 valves each, which is well over a million connections combined for the five refineries. The proposed Rule provides for a more stringent leak standard for these valves. Mr. Douglas provided an overview and discussed the following:

- The background of the Regulation.
- The rulemaking process.
- What is in the current Rule.
- The proposed amendments.
- Some additional amendments that include recordkeeping and reporting.
- The emissions inventory.
- The emission reductions and costs.
 - Emission reductions are approximately 0.20 tons per day.
 - Annual costs for the facilities are between \$24,000 and \$120,00
 - The cost per ton of precursor organic compounds that are reduced ranges from \$320 to \$1600.

In summary, Mr. Douglas noted that this is one of the final measures to meet the 2001 Ozone Plan Commitments; the proposed amendments reflect the current abilities and practices of industry; emissions will be reduced by 0.2 tons per day; and information will be collected for future strategies.

There was discussion on the Title V permits and the possibility of fines being assessed if the refineries were unable to comply. Jack Broadbent, Executive Officer/APCO, stated that the issues on Title V are being looked at and the District is looking at how the rule can be expedited. The refineries now have requirements relative to their valves and flanges that are already in their Title V permits. The Title V permits will be in place by December 1, 2003.

Mr. Hess added that these new limits become effective July 1, 2004. The District has been working with the refineries to see if that was enough time to meet the limits by July 1, 2004, and based on the workshops and meetings with the refineries, the consensus is there is enough time to meet these limits.

Brian Bunger, Counsel, noted that there are no automatic \$10,000 fines issued, but that the fines are determined on a case-by-case basis. When a violation occurs, the District looks at it to see if a penalty is appropriate.

Speaker: Dennis Bolt
Western States Petroleum Association

Committee Action: None. This report provided for information only.

6. **Committee Member Comments/Other Business:** Mr. Hess noted that at the next Committee meeting, staff would make presentations on the feasibility of web casting, the Supplemental Environmental Projects (SEP) policy, and the Marine Vessel Rule if it were ready.
7. **Time and Place of Next Meeting:** 9:30 a.m., Monday, January 26, 2004
8. **Adjournment:** 10:23 a.m.

Mary Romaidis

Mary Romaidis
Clerk of the Boards

Stationary Source Committee

Follow-up Items for Staff

November 24, 2003 meeting

1. Director Uilkema requested staff keep her updated on the progress of the marine loading rule.