



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
STATIONARY SOURCE COMMITTEE MEETING

COMMITTEE MEMBERS

JOHN GIOIA – CHAIRPERSON
SUSAN GARNER
SCOTT HAGGERTY
MARK ROSS

CAROL KLATT - VICE CHAIRPERSON
CAROLE GROOM
NATE MILEY
GAYLE B. UILKEMA
BRAD WAGENKNECHT

MONDAY
OCTOBER 19, 2009
9:30 A.M.

7th FLOOR BOARD ROOM
DISTRICT OFFICES

AGENDA

1. **CALL TO ORDER - ROLL CALL**
2. **PUBLIC COMMENT PERIOD** (*Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3*)
Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Board's authority. Speakers will be limited to three (3) minutes each.
3. **APPROVAL OF MINUTES OF JULY 13, 2009**
4. **STATUS REPORT ON THE FLARE MINIMIZATION PLAN (FMP) SECOND ANNUAL UPDATES UNDER REGULATION 12, RULE 12: FLARES AT PETROLEUM REFINERIES**
K. Wee/4760
kwee@baaqmd.gov

The Committee will receive a status report on the Flare Minimization Plan (FMP) Annual Updates submitted under Regulation 12, Rule 12: Flares at Petroleum Refineries. Each refinery is required to review their FMP and revise the plan annually to incorporate any new prevention measures that will minimize the frequency and magnitude of flaring.
5. **UPDATE ON BAY AREA EMISSION INVENTORY TRENDS**
H. Hilken/4642
hhilken@baaqmd.gov

The Committee will receive an update on emissions trends, with a focus on stationary source emissions.
6. **COMMITTEE MEMBER COMMENTS/OTHER BUSINESS**
Any member of the Board, 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).
7. **TIME AND PLACE OF NEXT MEETING – 9:30 A.M., MONDAY, NOVEMBER 16, 2009 – 939 ELLIS STREET, SAN FRANCISCO, CA 94109**
8. **ADJOURNMENT**

CONTACT THE EXECUTIVE OFFICE - 939 ELLIS STREET SF, CA 94109

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BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Executive Office should be given at least 3 working days prior to the date of the meeting, so that arrangements can be made accordingly.
- 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 headquarters at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body. Such writing(s) may also be posted on the Air District's website (www.baaqmd.gov) at that time.

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

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF DISTRICT MEETINGS

OCTOBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Advisory Council Regular Meeting	Wednesday	14	9:00 a.m.	Board Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday each Month)</i>	Thursday	15	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(Meets 3rd Monday Quarterly)</i>	Monday	19	9:30 a.m.	Board Room
Board of Directors Executive Committee <i>(At the Call of the Chair) - CANCELLED</i>	Wednesday	21	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month) - CANCELLED</i>	Wednesday	21	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee – <i>(Meets 4th Thursday of each Month) - CANCELLED</i>	Thursday	22	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Ad Hoc Cme. on Port Emissions <i>(At the Call of the Chair)</i>	Monday	26	9:30 a.m.	4 th Floor Conf. Room

NOVEMBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee <i>(At the Call of the Chair)</i>	Monday	2	9:30 a.m.	4th Floor Conf. Room
Board of Directors Personnel Committee Meeting <i>(At the Call of the Chair)</i>	Wednesday	4	9:00 a.m.	4 th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i>	Thursday	5	9:30 a.m.	4 th Floor Conf. Room
Joint Policy Committee <i>(Meets 3rd Friday Every Other Month)</i>	Friday	6	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607

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NOVEMBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Advisory Council Regular Meeting	Tuesday	10	9:00 a.m.	Board Room
Board of Directors Legislative Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	12	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	12	Following Board Legislative Cme. Mtg.	4th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(Meets 3rd Monday Quarterly)</i>	Monday	16	9:30 a.m.	Board Room
Board of Directors Personnel Committee <i>(At the Call of the Chair)</i>	Wednesday	18	9:00 a.m.	4th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
Executive Committee Meeting <i>(Meets at the Call of the Chair)</i>	Thursday	19	9:30 a.m.	4 th Floor Conf. Room
Joint Policy Committee <i>(Meets 3rd Friday Every Other Month)</i> - RESCHEDULED TO FRIDAY, NOVEMBER 6, 2009	Friday	20	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607
Board of Directors Budget & Finance Committee <i>(At the Call of the Chair)</i> - CANCELLED & RESCHEDULED TO MONDAY, NOVEMBER 2, 2009	Wednesday	25	1:30 p.m.	4th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i> CANCELLED	Thursday	26	9:30 a.m.	4 th Floor Conf. Room

DECEMBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	2	9:45 a.m.	Board Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	10	9:30 a.m.	4th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee - <i>(Meets 4th Thursday of each Month)</i>	Thursday	24	9:30 a.m.	4 th Floor Conf. Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 15, 2009

Re: Stationary Source Committee Draft Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Stationary Source Committee meeting of July 13, 2009.

DISCUSSION

Attached for your review and approval are the draft minutes of the July 13, 2009 Stationary Source Committee meeting.

Respectfully submitted,



Jack P. Broadbent
Executive Officer/APCO

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 771-6000

DRAFT MINUTES

Summary of Board of Directors
Stationary Source Committee Meeting
9:30 a.m., Monday, July 13, 2009

1. **Call to Order:** Chairperson John Gioia called the meeting to order at 9:35 a.m.

Present: Chairperson John Gioia; Vice Chairperson Carol Klatt; Committee Members Susan Garner, Scott Haggerty, Nate Miley, Mark Ross, Michael Shimansky, Gayle B. Uilkema and Brad Wagenknecht

Absent: None

Others Present: Chairperson Pamela Torliatt
2. **Public Comment:** None
3. **Approval of Minutes of April 20, 2009:** Director Haggerty moved approval of the minutes of April 20, 2009; seconded by Director Klatt; carried unanimously without objection.
4. **Update on Selected Bay Area Facilities/Projects**
 - A. Lennar Bay View Hunters Point Shipyard Parcel A' Redevelopment Project (San Francisco)
 - B. Pacific Steel Casting Company (Berkeley)
 - C. Custom Alloy Scrap Sales, Incorporated (Oakland)
 - D. Lehigh Southwest Cement Plant (Cupertino)
 - E. Russell City Energy Center (Proposed Project in Hayward)
 - F. Marsh Landing and Willow Pass Generating Stations (Proposed Projects in Antioch and Pittsburg)

Lennar Bay View Hunters Point Shipyard Parcel A' Redevelopment Project (San Francisco):
Director of Enforcement, Kelly Wee provided a project update, stating health risks remain less than significant:

- Two events with high monitoring results
- Notice to Comply issued for track out prevention and control
- District required eight point and six point dust mitigation action plans be implemented
- ADMP being revised to incorporate additional dust mitigation measures

Pacific Steel Casting Company (PSC) (Berkeley):

Mr. Wee described the company's steel casting operations and discussed emissions, emission source(s), and odor control measures. He presented PSC's complaint history, odor controls for Plant #1, 2 and 3, and discussed the company's additional emission reduction projects and odors reduction.

Mr. Wee presented a diagram of the PSC Health Risk Assessment maximum health risks, showing isopleths for existing operational conditions, future controlled conditions, and plant outlines, stating that upon implementation of projects, risks and hazard indexes will be lowered.

Directors discussed facilities and risks outside plant boundaries, local jurisdictional project approvals, and were provided with results of the West Berkeley Air Monitoring Station, as follows:

- 2008 Summary and Analysis (Released on April 14, 2009)
 - Air quality met all but two of the applicable State and National Ambient Air Quality Standards
 - Exceptions are the 24-hour national PM_{2.5} standard and the annual State PM standard
 - Air quality was also below all of the acute and chronic Reference Exposure Levels (RELs) established by OEHHA
 - Average concentrations of manganese were well below the revised RELs adopted by OEHHA on December 19, 2008
 - Calculated cancer risks are typical levels observed in the Bay Area
- Monitoring Station will remain in place through 2009
- USA Today article based on erroneous EPA TRI data

Mr. Broadbent described PSC as representing the highest stationary source risk in the Bay Area and said staff will recommend that the Board move forward on development of a separate Rule regarding metal operations.

Custom Alloy Scrap Sales, Inc. (CASS):

Mr. Wee continued his update and discussed health risk screening analysis, increased inspections and non-business hours monitoring and outreach to truck operators regarding grant funding.

Lehigh Southwest Cement Plant:

Mr. Bateman provided an update on the Health Risk Assessment and supplemental testing results, noting:

- Preliminary results---Risk remains less than significant
- CARB determination that NOA ATCM does not apply
- District installed continuous PM ambient air monitor
- Hexavalent chromium monitoring at local elem. school (EPA)
- Outreach to truck operators regarding grant funding
- Title V Permit Renewal Public Hearing – September 10, 2009

Director Discussion/Comments:

Directors discussed Title V permit renewal hearing notice requirements, public outreach, and community meetings, and requested that staff provide future radius noticing. Directors briefly discussed cited violations which related to the baghouse facility, preventative measures and actions taken.

Russell City Energy Center (Proposed):

Mr. Bateman provided described the proposed power plant project, emission controls, said the EPA Environmental Appeals Board remanded District PSD Permit on July 29, 2008, the project was re-noticed for public comment using more extensive federal procedures and completed December 2008, and a public hearing was held on January 21, 2009. Staff has reviewed and evaluated comments, performed additional analyses, and drafted permit changes and will open

another public comment period in late July 2009, with a tentative public hearing scheduled for September 2, 2009.

Marsh Landing and Willow Pass Generating Stations (Proposed):

Mr. Bateman described the proposed stations and emission controls, and gave the following update:

- ❖ District permit applications received in July 2007
- ❖ First District action will be Preliminary Determination of Compliance (PDOC)
- ❖ PDOC issuance for both projects has been delayed due to April 2009 EPA changes in PSD permit requirements for PM2.5
 - PSD analysis submitted by applicant is now inadequate
 - Applicable requirements will change when PM2.5 non-attainment designations are finalized by EPA

Chairperson Torliatt referred to the Fact Sheet and confirmed with staff that the District requested Lennar to submit a revised ADMP due to new provisions added which address changing construction scenarios and work and ensures binding commitments. Staff indicated that the District is holding community dialogue meetings and will provide an update at the next Stationary Source Committee meeting.

Public Comment:

Chris Chan, Environmental Manager, Pacific Steel Casting, presented and discussed a handout representing PSC's history of improvements and complaint statistics.

Committee Action: None; informational only.

5. Update on CARE Program and Associated Regulatory Initiatives - Brian Bateman, Director of Engineering – Presented the Committee with an update on the CARE Program and associated regulatory initiatives.

Mr. Bateman provided an overview of comprehensive efforts and actions by the District in anticipation of moving forward in addressing risk in different communities through the CARE program. He described factors considered in defining priority communities, which include:

1. Concord
2. Richmond
3. Western Alameda County
4. San Jose
5. Redwood City/East Palo Alto
6. Eastern San Francisco

Directors Discussion/Comments:

Upon review of weighted emissions, Director Gioia requested staff further break out data by income and by community within each of the 3 data sets. He questioned and confirmed the following with Mr. Bateman:

- Weighted emissions include both permitted facilities as well as mobile sources.
- Mobile source data is derived from transportation models VMT estimates are factored to get emissions.
- Diesel PM is the single most significant toxic air contaminant in terms of cancer-risk-weighted emissions.
- Three data sets were overlaid on a map and areas where all three intersect were used to establish the priority communities.

Director Ross questioned Livermore's emissions and its inclusion as a Priority Community. Mr. Bateman stated that emissions through the Livermore freeway area corridor do show up in the top 25%; however, youth and senior populations and family income do not contribute to making Livermore a priority community. In addition, there was some consideration of demographics of the area used to define boundaries of CARE communities and locations of major roadways, in particular, because of diesel emissions of the transportation network.

Director Garner questioned why Fremont would not be included as a priority community area versus East Palo Alto, and Mr. Bateman explained that the reason is due to the element of family income.

Bay Area Clean Air Communities Initiative:

Mr. Bateman presented a diagram of the various initiatives and cumulative impact approaches, such as targeted grants and incentives to Priority Communities, update of CEQA Guidelines, community outreach and education, liaison with local health & planning departments, local air quality monitoring studies, focused enforcement of regulations, and development of targeted regulations.

He then described the District Air Toxics NSR Program as a risk-based program which began in 1987 with the goal to avoid significant increases in health risks from TAC emissions from stationary source projects and to provide net health risk benefits when existing sources are replaced or modified. The program's requirements are based on a health risk screening analysis.

Staff is considering amendments to the Draft Air Toxics NSR that may:

- Add new cumulative health risk tracking provision for Priority Communities or;
- Implement more stringent NSR standards for new/modified sources located in Priority Communities to provide an additional measure of health protection or
- Tighten standards for sources in proximity to schools

Directors Discussion/Comments:

Chairperson Torliatt questioned how the District identifies "transport" from another area of the District and whether it is assessed in CARE areas. Mr. Bateman said the tracking provision applies to stationary sources for which the District has direct regulatory jurisdiction. Staff would not include tracking for mobile or other sources; however, tracking will be done through update of maps, and as patterns of emissions change due to regulations and growth.

Mr. Bateman noted that maximum health risks from projects also tend to be localized. Tracking cumulative impacts in each priority community individually will be adequate and there will not be transport from stationary facilities between priority communities. He noted that the District is looking at all sources in determining what the Priority Communities are, and this is where cumulative impacts are being addressed in terms of all sources, which will continue to be updated.

Director Miley supported heightened regulations, and recommended equal emphasis be placed on incentives.

Mr. Bateman then presented OEHHA guideline revisions and the schedule for Toxics NSR Rule Amendments and said the District will continue with existing procedures; when OEHHA guidelines are finalized, the District will undergo another process of evaluating what changes will mean in terms of tighter levels and return to the Board with recommendations.

Air Toxics Hot Spots Program:

Mr. Bateman described the statewide program which was enacted in 1987 (AB 2588). The program applies to stationary source facilities, and elements of the program include:

1. Emissions inventory preparation and updating
2. Facility prioritization
3. Health Risk Assessment
4. Public Notification
5. Risk Reduction

Each air district has the authority to establish thresholds for public notification and risk reduction requirements. Air district public notification thresholds are uniformly applied and are generally consistent with Proposition 65 notification requirements and most air districts with more stringent risk reduction thresholds have not applied them uniformly to industry-wide facilities. The existing Bay Area AQMD risk reduction thresholds are:

- Cancer risk: 100 in a million
- Non-Cancer Hazard Index: 10

Bay Area Air Toxics Hot Spots Program Implementation Update:

Mr. Bateman reported that 30 facilities were identified in 1991 as having risks above public notification thresholds (excluding gas stations and dry cleaners). The list of facilities requiring notification reduced to zero in 2001, and he briefly described reduction levels for Perc dry cleaners and gas stations. In 2008, Pacific Steel Casting was added to notification list and he said diesel engines are currently being assessed after ATCM implementation.

Mr. Bateman then described the following proposed regulatory actions and the preliminary rule development schedule:

- Initiate rule development process to evaluate establishing more stringent risk reduction thresholds under the Air Toxics Hot Spots Program
- OEHHA is revising risk assessment procedures to provide a greater degree of health protection
- Socioeconomic impacts of more stringent risk thresholds depends on number and type of facilities affected
- Need to see how OEHHA revisions may affect calculated risks
- In the interim, develop a rule applicable to foundry and other metal melting operations
- Air Toxics Hot Spots Program Risk Reduction Rule should be ready for consideration of adoption in late 2010 or early 2011
 - Schedule could be affected by timing of OEHHA Health Risk Assessment guideline revisions
- Foundry/metal melting rule should be ready for consideration of adoption in second quarter of 2010

He concluded by stating identified CARE communities have higher emissions and exposures leading to higher risks. Staff has comparative data of all Bay Area communities, the District has been targeting significant grant dollars in these communities, and regulatory tools need to be applied, as described in the Air Toxics NSR Rule Amendments and Program.

Mr. Broadbent stated that while the District is proposing more stringent risk reduction thresholds from stationary sources under the Air Toxics Hot Spots Program, OEHHA is in the process of changing guidelines which will have a significant impact for some stationary sources. This may in turn result in higher risk numbers as a result of applying new methodologies.

Director Discussion/Comments:

Director Miley agreed with the District moving forward on more stringent reductions, suggested working more closely with local jurisdictions to collaboratively address cumulative impacts and to present information to City Councils of CARE communities.

Chairperson Torliatt questioned how the District becomes aware of new projects in local jurisdictions. Mr. Broadbent noted permitting rules currently allow for this, CEQA guidelines serve as a key element to address this, and jurisdictions need to account for the impacts of added emissions as they continue to build Priority Development Areas (PDAs) and transit-oriented residential, commercial and industrial development. Chairperson Torliatt suggested being proactive as jurisdictions update their General Plan or rezone areas.

Director Gioia agreed and summarized the many competing policy objectives as Priority Development Areas (PDAs), regional housing goals, open space, minimizing urban sprawl, getting people to take transit, reducing emissions, buffers along industry and rail lines, residential development near rail lines, and addressing health impacts.

Director Uilkema voiced caution in false positives in data because of the economic turn-around. If great decreases of data are shown in a particular toxic, the District needs to assure itself that it is not misreading the economic data such as the slowdown in the Port of Oakland. Mr. Broadbent explained that much of the CARE modeling work is based on economic conditions prior to the recession, and he agreed that the District needs to take this information and project it out to the future.

Public Comment:

Dennis Bolt, WSPA, voiced opposition to more stringent permitting processes, cited financial impacts and suggested the District and ABAG work on furthering business expansion in the Bay Area.

Committee Action: None; informational only.

Committee Member Comments/Other Business: Mr. Broadbent reported that the District is moving forward with securing a Health Officer. He acknowledged recent news of business closures and/or reductions, and said at an upcoming Executive Committee meeting staff will discuss creating a position that speaks to businesses about providing support and resources to companies who want to locate and/or expand.

Chairperson Torliatt recognized the District's progress, acknowledged the economic downturn and shifts in business strategies, and she reiterated the need for the District to continue moving forward, to strategize with local jurisdictions, and to continue in keeping the Bay Area a desirable place to live and work.

Time and Place of Next Meeting: Monday, 9:30 a.m., October 19, 2009.

Adjournment: The meeting adjourned at 11:32 a.m.

Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: October 16, 2009

Re: Status Report on the Flare Minimization Plan Second Annual Updates
Under Regulation 12, Rule 12: Flares at Petroleum Refineries

RECOMMENDED ACTION:

Informational Report. Receive and file.

BACKGROUND

In order to minimize the frequency and magnitude of flaring at petroleum refineries, the District Board of Directors adopted Regulation 12-12: Flares at Petroleum Refineries on July 20, 2005. The regulation recognizes that refinery flares are first and foremost a safety device and it allows refineries to develop plans to continuously minimize flaring without compromising safety. The regulation prohibits the non-emergency use of a refinery flare unless that use is consistent with an approved Flare Minimization Plan (FMP).

Each Flare Minimization Plan must include:

- Information regarding the design and operation of the facility as it relates to flaring;
- Description of the prevention measures previously taken that permanently capture current emission reductions and planned measures to further reduce flare emissions at the refinery; and
- Commitments to implement all additional feasible prevention measures expeditiously.

The regulation functions as a continuous improvement process by requiring the refineries to update their FMP annually to incorporate any new prevention measures developed as a result of investigations into the primary cause and contributing factors for significant flaring events.

DISCUSSION

The Air District's flare regulations have been making progress in reducing the frequency and magnitude of flaring as indicated by downward trends in the total volume of vent gas flared, the number of flaring days, and the total emissions of methane and non-methane hydrocarbons. Emissions of sulfur dioxide have also been trending downward with the exception of 2008. The sulfur dioxide flaring increases at the Valero and Tesoro refineries were related to maintenance activities and discussed at the committee's April 20, 2009 meeting.

The first annual updates to the Flare Minimization Plans were submitted July 16, 2008. The updates included analysis of the reported cause and associated emissions for each significant flaring event for the time period of June 2006 through May 2008. In response to the public's comments to improve the clarity of the Plans and have a consistent timeframe, the District required changes for the next plan update. The second annual updates were due Oct 1, 2009 and will include flaring analysis for the time period June 1, 2008 through June 30, 2009. All future annual updates will be due Oct 1, will add a 12-month flaring analysis ending June 30 of the same year, and will contain any modifications or amendments to flaring prevention measures contained in the Plan. The first annual Flare Minimization Plan updates were approved by the District on April 17, 2009.

Significant progress has been made in reducing the frequency and magnitude of flaring since District flaring regulations were adopted. The flare control regulation is structured to account for the variability of petroleum refinery designs, to ensure continuous improvement in identifying flaring prevention measures specific to each refinery's design and operation, and to provide an opportunity to consider public input in developing the most effective Flare Minimization Plan.

The District uses a robust engagement process for evaluating Flare Minimization Plans. In addition to working with each refinery, district staff considers all public comments received for each plan. The District received one comment letter from the Public and Environmental Health Advisory Board for Contra Costa County for the first annual update. After careful evaluation of the information provided by each refinery and in consideration of the public comment received, the Air District posted summary information on the progress made reducing the frequency and magnitude of flaring, worked with each refinery to add summarized information to the existing plan updates, and added a requirement that the Plans must now include an executive summary with standardized metrics for measuring progress complete with trend data. Throughout the Flare Minimization Plan engagement process, the District staff focuses on ensuring all feasible prevent measures identified as a result of the investigations into the reasons for flaring are expeditiously implemented. The engagement with refineries centers on the following main areas: Vent gas source reduction efforts; Fuel gas balance between gas generators and consumers; Vent gas compressor capacities; and Sour gas scrubbing capabilities.

While emissions and volumes from petroleum refinery flares have been showing steady decreases since 2004 for most pollutants, the Air District expects these trends to be less steady in the future due to the cyclic nature of maintenance activity at refineries. It is not uncommon for maintenance turnarounds to occur on 3 to 5-year intervals, or longer. This long time-frame activity makes any short-term analysis of annual flaring trends difficult, but longer 5-year annual averages are appropriate. Key parameters for tracking the frequency and magnitude of petroleum refinery flaring are presented in Table 1.

Table 1: Petroleum Refinery Flaring Frequency and Magnitude

First Five-Year Annual Average 2004 thru 2008					
Refinery	Vent Gas Volume (MMSCF)	Number of flaring days (Days)	Total Emissions		
			CH4 (Tons)	NMHC (Tons)	SO2 (Tons)
Chevron	84.6	139	7.7	30.1	64.9
ConocoPhillips	86.3	83	8.2	15.4	77.6
Shell	198.1	284	7.6	14.6	3.9
Tesoro	228.0	283	18.2	46.2	117.3
Valero	153.2	291	11.1	37.2	54.2

The District is committed to the goal of continuous improvement in minimizing petroleum refinery flaring and will continue to work with all stakeholders to achieve progress through the petroleum refinery Flare Minimization Plans.

The Committee will receive a status report on the petroleum refinery second annual Flare Minimization Plan updates.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alex Ezersky

Reviewed by: Kelly Wee

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: October 7, 2009

Re: Update on Bay Area Emission Inventory Trends

RECOMMENDED ACTION:

None. For information only.

BACKGROUND

The Air District regularly prepares and updates an emission inventory of criteria air pollutant emissions in the San Francisco Bay Area. The inventory estimates emissions from all sources, including stationary sources subject to Air District regulations, as well as on-road and off-road mobile and other sources subject to state and federal regulations. The last inventory, published in 2008, was prepared based on 2005 data. Emission trends for prior and future years were updated based on 2005 data.

DISCUSSION

Staff will provide the Committee with a summary of the emission inventory, including:

- Major source categories for PM_{2.5}, ROG, NO_x and SO₂;
- Trends in emissions of these pollutants from all sources and from stationary sources; and
- Trends in air quality data.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None at this time.

Respectfully submitted,



Jack P. Broadbent
Executive Officer/APCO

Prepared by: Toch Mangat
Reviewed by: Henry Hilken