



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
STATIONARY SOURCE COMMITTEE MEETING

COMMITTEE MEMBERS

GAYLE B. UILKEMA - CHAIRPERSON  
SUSAN GARNER  
CAROL KLATT  
JIM SPERING  
JOHANNA PARTIN

JOHN GIOIA - VICE CHAIRPERSON  
DAVID HUDSON  
ERIC MAR  
JOHN AVALOS

MONDAY  
JANUARY 9, 2012  
9:30 A.M.

4<sup>th</sup> FLOOR CONFERENCE ROOM  
939 ELLIS STREET  
SAN FRANCISCO, CA 94109

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 Air 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 SEPTEMBER 29, 2011**
4. **AMENDMENTS TO REGULATION 2, RULES 1, 2, 4, AND 6**

B. Bateman/4653  
[bbateman@baaqmd.gov](mailto:bbateman@baaqmd.gov)

*The Committee will receive a report on proposed amendments to Regulation 2, Rules 1, 2, 4, and 6 to address recent U.S. Environmental Protection Agency (EPA) mandated requirements for particulate matter less than 2.5 micrometers, Greenhouse Gases, and nitrogen dioxide in Prevention of Significant Deterioration and Title V permitting.*

5. **PROPOSED REGULATION 8, RULE 53: VACUUM TRUCK OPERATIONS**

H. Hilken/4642  
[hhilken@baaqmd.gov](mailto:hhilken@baaqmd.gov)

*The Committee will receive an update on proposed rule 8-53, Vacuum Trucks Operations.*

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 – AT THE CALL OF THE CHAIR**

8. **ADJOURNMENT**

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

**(415) 749-5130**

**FAX: (415) 928-8560**

**BAAQMD homepage:**

**[www.baaqmd.gov](http://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](http://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**

**JANUARY 2012**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	4	9:45 a.m.	Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(At the Call of the Chair)</i>	Monday	9	9:30 a.m.	Board Room
<b>Advisory Council Retreat</b> <i>(Meets 2<sup>nd</sup> Wednesday each Month)</i>	Wednesday	11	9:00 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(At the Call of the Chair)</i> - CANCELLED	Thursday	12	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Special Meeting/ Retreat</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	City of San Pablo Maple Hall, Building #4 13831 San Pablo Avenue San Pablo, CA. 94806
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

**FEBRUARY 2012**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	1	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday each Month)</i>	Wednesday	8	9:00 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	23	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

## MARCH 2012

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	7	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets 2<sup>nd</sup> Wednesday each Month)</i>	Wednesday	14	9:00 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	21	9:45 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	22	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
HL – 12/29/11 (8:30 a.m.)				P/Library/Forms/Calendar/Calendar/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson Uilkema and Members  
of the Stationary Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: December 22, 2011

Re: Stationary Source Committee Draft Minutes

RECOMMENDED ACTION

Approve attached draft minutes of the Stationary Source Committee meeting of September 29, 2011.

DISCUSSION

Attached for your review and approval are the draft minutes of the September 29, 2011 Stationary Source Committee meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Maricela Martinez  
Reviewed by: Jennifer Cooper

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, California 94109  
(415) 749-5000

**DRAFT MINUTES**

Summary of Board of Directors  
Stationary Source Committee Meeting  
Thursday, September 29, 2011  
9:30 a.m.

**1. CALL TO ORDER:** Chairperson Gayle B. Uilkema called the meeting to order at 9:33 a.m.

Roll Call: Present: Chairperson Gayle B. Uilkema, Vice Chairperson John Gioia, Directors John Avalos, Susan Garner, Dave Hudson, Carol Klatt, Jim Spering, and Eric Mar were present.

Absent: Director Johanna Partin was absent.

Also Present: Director Scott Haggerty

**Pledge of Allegiance:** Chairperson Uilkema led the Pledge of Allegiance.

**2. Public Comments:** Chair Uilkema opened the public comment period. There were no comments made.

**3. Approval of Minutes of July 7, 2011**

**Committee Action:** Director Hudson moved to approve the minutes of July 7, 2011. The motion was seconded by Director Spering and carried unanimously without opposition.

**4. Draft Regulation 12, Rule 13: Metal Melting and Processing Operations**

Henry Hilken, Director of Planning, Rules and Research, introduced Dan Belik, Air Quality Program Manager, who gave the presentation on Draft Regulation 12, Rule 13: Metal Melting and Processing Operations. Mr. Belik provided a brief summary of the background of the industry, described what was included in the first draft of Regulation 12, Rule 13 which was presented in June of 2011, reported on two workshops which were held in July 2011, and described the final steps in the rule development process.

Mr. Belik illustrated and discussed the primary processes in the industry. This measure is part of the 2010 Clean Air Plan. This industry generates odors, some amounts of VOC's, toxic air contaminants in the metals and odor that are emitted. This led to the promulgation of the draft rule to target the largest thru put sources and those with the highest toxic risk. The draft rule has some emission limits, opacity limits, organic compound limits, and a list of four odorless substances that would likely be emitted in

this industry with specific limits for each of these substances. The draft rule also has a comprehensive compliance plan as well as monitoring, recordkeeping, and source testing requirements.

Mr. Belik stated two public workshops were held in Oakland and Redwood City. Most public comments focused on economic impacts, concern for jobs, and emission concerns during the workshops. An additional 453 written comments were received from industry workers, families, children, and neighbors. Mr. Belik provided a brief summary of the comments received.

Mr. Belik stated that the Air District is continuing to consult with the industry and community. The Air District will reevaluate the standards based on the comments received and continue to work on developing a second draft. A public hearing on the final draft is anticipated to take place at the end of the first quarter of the year 2012.

Jean Roggenkamp, Deputy Air Pollution Control Officer, reiterated that this is a brand new rule for the Air District. The Air District will continue to meet with the community and provide the committee with regular updates.

**Committee Member Comments:**

Chair Uilkema stated that she receives written comments on an ongoing basis. Chair Uilkema welcomes comments from all interested parties and asks that they be directed to the Air District staff or her office.

Director Spering requested background as to what is the difference between what the Air District is trying to accomplish and what currently exists in the State and Federal regulations that control this industry. Director Spering is concerned about the economic impacts and how they should be weighed.

Director Gioia requested a summary of what emission reduction would be gained by this rule and what the cost impacts would be to the industry. He is requesting this information be included in the presentation.

Director Mar requested that communities heavily impacted by this industry be identified. Director Mar also requested information on fugitive emissions.

**Public Comments:**

Chair Uilkema opened the public comment period.

Ray Rodriguez, CASS, Inc., described the company he works for and discussed how CASS, Inc. already complies with several existing regulations and how this new regulation is very cost prohibited and the impacts it will have on CASS, Inc.

James Simonelli, California Metals Coalition, stated that Federal rules already regulate many of the same items that Draft Regulation 12: Rule 13 propose to regulate. Mr. Simonelli recommends that the Committee receive an analysis which compares existing Federal rules and Draft Regulation 12: Rule 13 in an effort to avoid redundancy.

Chris Chan, Pacific Steel, stated that Pacific Steel does not understand what this rule is trying to accomplish and how this rule differs from current Air District regulations and EPA NESHAP. The regulation should be based on good science and data. This rule should not be "one size fits all". This rule will also put workers at risk.

Dave Robinson, AB&I, spoke in regards to his family-owned business having the best emission controls in the country and how this draft rule is based on odors and throws out all exemptions.

Charles McIntyre, West Coast Protective League, opposes these rule changes due to the loss of jobs and economic impacts these changes may have on the industry.

**Committee Comments/Questions:**

Director Spering discussed the idea of comparing Federal and State regulations and identifying any changes. He requests that any findings in the comparison also provide a “why” column to describe why changes are being made. As economic impacts are being discussed there is a need to measure these impacts and its benefits. Director Spering asks what potential regulatory requirements mean?

Ms. Roggenkamp explains that there are existing regulations of the maximum standards at the Federal level and Air District staff needs to look at what the Air District needs to achieve beyond these standards. How does the Air District define what is the benefit for this rule and what is the Air District trying to achieve beyond the maximum standards.

Director Spering asked if Air District is also evaluating what the industry is currently doing and how they are meeting the Federal and State requirements. Director Spering requested a meeting with Ms. Roggenkamp and representatives from the industry to hear both sides and obtain further clarification on this issue.

Chair Uilkema stated that the Committee is very interested in a visual depiction of the implementation of the implementation of the Air District’s Clean Air Plan. Chair Uilkema is requesting this be presented at the next meeting.

**Committee Action:**

None; receive and file.

**5. Draft Regulation 8, Rule 53: Vacuum Truck Operations**

Henry Hilken, Director of Planning, Rules and Research, introduced William Saltz, Air Quality Specialist, who gave the presentation and background on Draft Regulation 8, Rule 53: Vacuum Truck Operations. Mr. Saltz will discuss Vacuum Truck Operations; describe the basis for a vacuum truck, how emissions are generated, and why trucks that transfer organic liquids should be regulated. A summary of the highlights of the regulatory proposal, public workshops and comments received, compliance cost associated with this rule and the emission inventory development that is currently ongoing was also presented.

Mr. Saltz stated the draft rule for vacuum truck operations is a result of the control measure SSM5 of the 2010 Clean Air Plan. Regulation 8, Rule 53 will control the emission from vacuum trucks which result from the transfer of organic liquids. The emission limits of this rule will apply to five types of facilities:



petroleum refineries, bulk plants, bulk terminals, marine terminals, and organic liquid pipeline facilities. Air District staff believes that the majority of organic vapor emissions from Bay Area vacuum truck operations occur at these types of facilities. Vacuum trucks can release organic emission from three different ways: from the trucks barrel exhaust, from equipment liquid leaks, and from equipment vapor leaks. All of these emissions are currently uncontrolled.

Mr. Saltz continued the presentation by describing how Regulation 8, Rule 53 will control vacuum truck emissions by establishing limits. An organic concentration standard of 500 parts per million will apply to vapor emissions from vacuum truck exhaust ports, as well as, vacuum truck equipment vapor leaks. Also, a liquid leak standard of 3 drops per minute will apply to vacuum truck equipment.

As part of this rule development effort, Air District staff communicated with the Regional Water Quality Board, California State Lands Commission, South Coast AQMD, Texas Commission on Environmental Quality, and the New Jersey Department of Environmental Protection. Air District staff has met with refineries, terminals, and vacuum truck operators.

**Committee Member Comments:**

Chair Uilkema asked for further clarification on the frequency of which the Air District would be testing or monitoring the vacuum trucks.

Mr. Saltz stated that the determination would be made by the Compliance and Enforcement Division.

Chair Uilkema also requested further clarification on the cost analysis and the impacts businesses may face going forward. Chair Uilkema asked if the Air District has any intention to deal with railroads.

Brian Bunger, Legal Counsel, stated no. The Air District already regulates the emissions from loading and unloading tank cars.

Director Garner recommended that the Board consider regulating vacuum trucks where oil companies, in particular, are relying on vacuum trucks to clean up ground water.

Mr. Belik responded that the type of operation that takes place at gas stations is already controlled under a rule specific to removal of underground storage tanks and also cleanup of contaminated soil. Removal of materials from the tanks is regulated even though conducted through a vacuum truck.

Director Garner asked if only the vacuum trucks being used at a service stations site to clean up floating water they are required to control emissions and not at refineries.

Mr. Belik stated that in other instances the vacuum truck operators do use emission controls.

Chair Uilkema requests further discussion of this item at a future committee meeting.

**Public Comment:** None.

**Committee Comments/Questions:** None.

**Committee Action:** None; receive and file.

**6. Committee Member Comments/Other Business:**

Director Sperring suggested that the Air District be careful how the Air District characterizes who attends the committee meetings.

**7. Time and Place of Next Meeting:** At the call of the Chairperson.

**8. Adjournment:** Meeting adjourned at 10:59 a.m.

Maricela Martinez  
Executive Secretary

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Uilkema and Members  
of the Stationary Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: December 22, 2011

Re: Briefing on Draft Amendments to Regulation 2, Rules 1, 2, 4, and 6

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Staff is proposing to amend the regulations for permitting stationary sources to address recent U.S. Environmental Protection Agency (EPA) mandated requirements for particulate matter less than 2.5 micrometers (PM<sub>2.5</sub>), Greenhouse Gases (GHG), and nitrogen dioxide in Prevention of Significant Deterioration (PSD) and Title V permitting. The objective of these rule amendments is for the District to obtain an approved State Implementation Plan (SIP) for its PSD and nonattainment New Source Review (NSR) program, which protects public health and welfare from criteria pollutant and GHG emissions.

In addition to incorporating the EPA requirements discussed above, Regulation 2, Rules 1 and 2 would be significantly reorganized to increase the clarity and efficacy of the existing rules. Staff is also proposing certain amendments that would be more stringent than what EPA requires (e.g., more stringent trigger levels for requiring Best Available Control Technology for sources of PM<sub>2.5</sub>, and public noticing/comment requirements for non-major facilities).

DISCUSSION

At the Committee meeting on January 9, 2012, staff will provide additional details on the draft amendments to the District's permit rules including:

- Background on EPA-mandated requirements;
- Overview of draft rule amendments;
- Details for an upcoming public workshop;
- Next steps in rule development process including expected timeframe for completion.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Brian Bateman  
Reviewed by: Jeffrey Mckay

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Uilkema and Members  
of the Stationary Source Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: December 28, 2011

Re: Proposed Regulation 8, Rule 53: Vacuum Truck Operations

RECOMMENDED ACTION

Receive and file.

BACKGROUND

Stationary Source Control Measure SSM-5 of the 2010 Clean Air Plan identified vacuum truck operations as a potential source of organic emission reductions. Vacuum trucks are used by a variety of Bay Area industries to move materials, both liquid and solid, from one location to another. Proposed Regulation 8, Rule 53 focuses on vacuum truck operations in petroleum refineries, marine terminals, gasoline bulk terminals and bulk plants, and pipeline facilities. District source tests show that these operations emit significant organic emissions when used to move relatively volatile materials such as gasoline, gasoline blending stocks, ethanol and naphtha.

Proposed Regulation 8, Rule 53 would apply specifically to vacuum truck operations moving more volatile materials in the types of facilities listed above. Staff conducted two public workshops, one on July 21st in Martinez and one on July 25th at the District office, and presented information on the proposed rule and rule development process to the Stationary Source Committee on September 29, 2011. Staff revised the proposal based on comments received at and following the workshops. Staff anticipates a public hearing in February, 2012.

DISCUSSION

In this report, Staff will present information on:

- Background on Bay Area vacuum trucks and vacuum truck operations;
- Overview of proposed Regulation 8, Rule 53;
- Emissions and emission reductions;
- Costs and cost effectiveness; and,
- The rule development process including remaining steps.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: William Thomas Saltz  
Reviewed by: Henry Hilken