

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5073

APPROVED MINUTES

Summary of Board of Directors
Stationary Source Committee Meeting
Monday, May 20, 2013

1. Call to Order – Roll Call

Committee Chairperson John Gioia called the meeting to order at 10:33 a.m.

Present: Committee Chairperson John Gioia; and Directors Tom Bates, Carole Groom, Scott Haggerty, Eric Mar, Nate Miley, Mary Piepho and James Spring.

Absent: Vice Chairperson John Avalos.

Also Present: Board of Directors Chairperson Ash Kalra.

2. Public Comment Period: None.

3. Approval of Minutes of March 18, 2013

Committee Comments: None.

Public Comments: None.

Committee Action: Director Haggerty made a motion to approve the Minutes of March 18, 2013; Director Bates seconded; and the motion carried unanimously.

4. Update on the Development of Regulation 12, Rule 15: Petroleum Refining Emissions Tracking

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), introduced Brian Bateman, Health & Science Officer, who gave the staff presentation Update on Petroleum Refining Emissions Tracking Rule, including a review of the purpose of the proposed rule, descriptions of the proposed rule as it relates to emissions tracking, emissions reductions and air monitoring, a look at baseline and ongoing emissions inventories, a public workshop summary and steps remaining in the rule development process.

Committee Comments:

Committee Chairperson Gioia asked when staff responses to comments received in the public workshops would be available, which question was answered by Mr. Bateman.

Director Piepho noted the Air District is addressing a possible, rather than actual, issue and asked for staff to consider the cost/benefit scale going forward and asked, regarding slide #7, Description of Draft Rule: Air Monitoring, about the composition of the Expert Panel, whose meeting is being scheduled for July 11, 2013, which questions were answered by Mr. Broadbent and Eric Stevenson, Director of Technical Services. Committee Chairperson Gioia, Director Piepho and staff discussed the need for industry representation on the Expert Panel.

Director Piepho asked why this rule is needed now and about the outcome if no rule is put in place at this time, while urging caution to include all stakeholders.

Director Groom said that after the Richmond refinery incident there appeared to be agreement that better monitoring is necessary and efforts should begin immediately in this regard.

Public Comments:

Diane Bailey, Natural Resources Defense Council, addressed the Committee in support of the proposed rule.

Greg Karras, Communities for a Better Environment (CBE), addressed the Committee in support of the proposed rule.

Rhoda Fry addressed the Committee in support of the proposed rule and to encourage an expansion of its application.

Guy Bjerke, Western States Petroleum Association, addressed the Committee neutrally, agreeing that there is a need to improve reporting and monitoring practices but disagreeing with the notion that additional regulations are the proper way to achieve the improvements.

Committee Chairperson Gioia recalled his conversations with industry representatives regarding gaps in the monitoring capabilities of the Air District, noted this rule is an effort at establishing a baseline, and suggested the intent of the rule has been misunderstood.

NOTED PRESENT: Director Mar was noted present at 11:08 a.m.

Mr. Broadbent explained how refineries are currently regulated and monitored by the Air District, as compared with the common practice by other air districts.

Director Spring tied his comments to those of Director Piepho and asked for more information regarding the mechanics of the rule, which was provided by Mr. Broadbent. Director Spring requested a spreadsheet from staff which shows, by category, how refineries are regulated currently and which agency is responsible for each category and another spreadsheet of the same nature, as generated by regulated industry.

Committee Chairperson Gioia noted that the rule is not targeting crude oil slates but instead trying to modify the approach to monitoring because of anticipated changes in slates and that if best safety is the goal and all the involved agencies are regulating different facets of production, then there is a need for a comprehensive view of operations to capture any areas that might be missed.

Committee Action: None; informational only.

5. Update on Regulation 9 Rule 13: Nitrogen Oxides Particulate Matter and Toxic Air Contaminants from Portland Cement Manufacturing

Ms. Roggenkamp introduced Robert Cave, Senior Air Quality Specialist of Planning, Rules & Research, who gave the staff presentation Update on Regulation 9, Rule 13: Nitrogen Oxides, Particulate Matter, and Toxic Air Contaminants from Portland Cement Manufacturing, including background, emissions reductions under regulation, comparison of standards, overview of emissions control and options for further control, estimated costs to meet District and Federal standards, summary of Breathe California study, compliance status report for Lehigh Southwest Cement Company (Lehigh) and conclusion.

Director Miley asked, regarding slide #1, Update on Regulation 9, Rule 13: Nitrogen Oxides, Particulate Matter, and Toxic Air Contaminants from Portland Cement Manufacturing, about the location of the facility, which question was answered by Mr. Cave.

Director Haggerty asked for more information on Portland cement, which was provided by Mr. Cave.

Mr. Cave concluded the presentation.

Public Comments:

Gary Latshaw, Sierra Club, provided written material and addressed the Committee regarding the need for enhanced emissions mitigation equipment and about the measurements provided in the Health Risk Assessment regarding the Lehigh facility.

Tim Brand, Bay Area for Clean Environment, provided written material and addressed the Committee in gratitude for its past regulatory efforts in this area and to request that the Air District impose a requirement for a central emissions stack at the Lehigh facility.

Rhoda Fry addressed the Committee regarding the ability of Lehigh to further mitigate emissions at its facility and to request that the Air District impose a requirement for a central emissions stack at the Lehigh facility.

Bill Almon, Quarry No, addressed the Committee regarding the ongoing concern about particulate matter levels at the Lehigh facility and to note the significant contribution of their diesel truck fleet to the same.

Roger Lin, CBE, addressed the Committee regarding refinery-wide nitrogen oxides limits and in opposition to the draft rule in its current form.

Committee Comments:

Director Piepho requested that staff explore the possibility of a retrofit program for the Lehigh diesel fleet, similar to that done with Port of Oakland trucks.

Board Chairperson Kalra and staff discussed the stack modification plan and related issues at the Lehigh facility. Board Chairperson Kalra requested a staff report detailing how the additional emissions mitigation measures being discussed can be financed and to develop a plan on their implementation, all of which is to be included in the 2014 review that staff was directed to conduct at the time the rule was initially adopted.

Director Piepho asked for further clarification on the past, current and proposed state of the emissions stacks at the Lehigh facility, which information was provided by Messrs. Cave and Broadbent.

Director Groom expressed her support for Board Chairperson Kalra's request for the development of a plan for future action.

Committee Action: None; informational only.

6. **Committee Member Comments/Other Business:** None.
7. **Time and Place of Next Meeting:** Monday, June 17, 2013, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California, 94109 at 10:30 a.m.
8. **Adjournment:** The meeting adjourned at 11:59 a.m.

151 Sean Gallagher

Sean Gallagher
Clerk of the Boards