



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
STATIONARY SOURCE COMMITTEE

COMMITTEE MEMBERS

JOHN GIOIA - CHAIR
JOHN AVALOS
SCOTT HAGGERTY
ERIC MAR
ROD SINKS

JIM SPERING – VICE CHAIRPERSON
CAROLE GROOM
DAVID HUDSON
JAN PEPPER

MONDAY
FEBRUARY 1, 2016
9:30 A.M.

7TH FLOOR BOARD ROOM
939 ELLIS STREET
SAN FRANCISCO, CA 94109

AGENDA

1. **CALL TO ORDER - ROLL CALL – PLEDGE OF ALLEGIANCE**

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members. The Committee Chair shall lead the Pledge of Allegiance.

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 Committee's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx> at the time of the meeting.

Staff/Phone (415) 749-

3. **APPROVAL OF THE MINUTES OF SEPTEMBER 21, 2015**

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Stationary Source Committee meeting of September 21, 2015.

4. **REGULATION 2, RULE 5: NEW SOURCE REVIEW OF TOXIC AIR CONTAMINANTS AMENDMENTS**

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will update the Committee on amendments to Regulation 2, Permits; Rule 5: New Source Review of Toxic Air Contaminants.

5. **ASSEMBLY BILL (AB) 2588 AIR TOXICS “HOT SPOTS” PROGRAM UPDATE**

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will update the Committee on the AB2588 Air Toxics “Hot Spots” Program and potential implementation changes under consideration.

6. **COMMITTEE MEMBER COMMENTS**

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**

Monday, March 21, 2016, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 9:30 a.m.

8. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
939 ELLIS STREET, SAN FRANCISCO, CA 94109
mmartinez@baaqmd.gov

(415) 749-5016
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Mobile Source Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Committee meeting. Any correspondence received after that time will be presented to the Committee at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- **Accessibility and Title VI:** The Air District provides services and accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Board matters. For accommodations or translations assistance, please call 415-749-5016 at least three days in advance of a meeting, so that arrangements can be made accordingly.

Accesibilidad y Título VI: El Distrito del Aire ofrece servicios y realiza las adaptaciones necesarias para las personas con discapacidades y para las personas con un dominio limitado del inglés siempre que estos servicios se soliciten y se deseen tratar asuntos relacionados con la Junta. Si necesita ayuda con algún tipo de adaptación o traducción, llame al 415-749-5016 como mínimo tres días antes de la reunión de manera que puedan realizarse las adaptaciones necesarias.

Magagamit na Tulong at Título VI: Nagbibigay ang Air District ng mga serbisyo at mga akomodasyon, kapag hiniling, sa mga taong may kapansanan at mga taong limitado ang kakayahan sa Ingles na gustong magpahayag tungkol sa mga usapin sa harap ng Lupon. Para sa mga tulong sa akomodasyon o sa pagsasalin, mangyaring tumawag sa 415-749-5016 nang tatlong araw man lamang na una pa sa miting, para makapaghandang ayon sa pangangailangan.

可及度及標題VI: 空氣管理局根據申請為殘障人士和英語熟練程度有限但卻希望參與董事會事宜的人員提供服務和住宿。關於住宿或者翻譯幫助，請至少在會議之前三天致電 415-749-5016，以便作出相應安排。

Tạo Khả Năng Truy Cập và Chương VI: Đặc Khu cung cấp dịch vụ và phương tiện đáp ứng, khi có yêu cầu, cho những người bị khuyết tật và cho những cá nhân không thông thạo Anh ngữ muốn được tham gia các vấn đề của Hội Đồng. Để được phương tiện đáp ứng hoặc trợ giúp phiên dịch, xin gọi số 415-749-5016 ít nhất ba ngày trước khi có hội thảo, để tiện bố trí các phương tiện

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 District’s offices 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

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

FEBRUARY 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	1	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	3	9:45 a.m.	Board Room
Advisory Council Meeting <i>(At the Call of the Chair)</i>	Wednesday	3	10:00 a.m.	1111 Broadway Ave, #800 Oakland, CA 94607
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i> - CANCELLED / RESCHEDULED TO MARCH 2, 2016	Monday	15	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i> - CANCELLED	Monday	15	10:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i> -CANCELLED	Wednesday	24	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	25	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Thursday	25	11:00 a.m.	Board Room

MARCH 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> -CANCELLED	Wednesday	2	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Wednesday	2	9:30 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	Board Room
Board of Directors Climate Protection Committee <i>(Meets 3rd Thursday of every other Month)</i>	Thursday	17	9:30 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i> -CANCELLED	Monday	21	9:30 a.m.	Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i> -CANCELLED	Monday	21	10:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	23	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> -CANCELLED	Thursday	24	9:30 a.m.	Board Room

VJ – 1/28/16 (12:53 p.m.)

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: January 14, 2016

Re: Approval of the Minutes of September 21, 2015

RECOMMENDED ACTION

Approve the attached draft minutes of the Stationary Source Committee (Committee) meeting of September 21, 2015.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting on September 21, 2015.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Maricela Martinez

Attachment: Draft Minutes of the Committee Meeting of September 21, 2015

AGENDA: 3 – ATTACHMENT

Draft Minutes – Stationary Source Committee Meeting of September 21, 2015

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

DRAFT MINUTES

Summary of Board of Directors
Stationary Source Committee Meeting
Monday, September 21, 2015

1. CALL TO ORDER – ROLL CALL

Stationary Source Committee (Committee) Chairperson John Gioia called the meeting to order at 9:37 a.m.

Present: Committee Chairperson John Gioia; Vice-Chairperson James Spering; and Directors John Avalos, Scott Haggerty, David Hudson, Eric Mar and Jan Pepper.

Absent: Directors Liz Kniss and Rod Sinks.

Also Present: Board of Directors (Board) Chairperson Carole Groom.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

Thomas Schubert, Chevron, addressed the Committee to suggest that Chevron is a world-class company in regards to safety and environmental stewardship; to report that his son is also an employee and he would be remiss as a parent to condone his family being harmed by their shared employer; and to suggest that Chevron is a safe place to work.

Margaret Pearce, 350 San Francisco, addressed the Committee to express sympathy for those employed by Bay Area refineries; to report her recent asthma diagnosis and note the contribution of emissions as a precursor of the same; and in support of limiting refinery emissions, an expansion of rules to impose strong limits of greenhouse gas (GHG) emissions and a strong enforcement program relative to the same.

Don England, Tesoro, was called to which there was no reply.

3. REFINERY STRATEGY UPDATE [OUT OF ORDER AGENDA ITEM 4]

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), introduced the topic and Eric Stevenson, Director of the Meteorology, Measurement and Rules Division, who gave the staff presentation *Refinery Strategy*, including summaries of the development and goals of the overall refinery strategy; target reductions in harmful emissions; summary of rulemaking phases I and II to reduce harmful emissions; continuous monitoring proposals; regulation 12, rule 15, tie-ins to future actions; regulation 12, rule 16, goals of limiting pollution and protecting health; provisions to ensure best practices; precedent setting actions; goals achieved; issue

submitted by Communities for a Better Environment (CBE) and other community groups; how the rulemaking addresses the issues of criteria pollutants, toxic air contaminants and GHGs; a summary of the Air Resources Board (ARB) perspective on the local GHG gap; an overview of the regulatory program to reduce GHG from stationary sources; and next steps.

Committee Comments:

The Committee and staff discussed the impact of future health risk assessments (HRAs) based on the revised standards anticipated from the Office of Environmental Health Hazard Assessment on the rulemaking process for proposed rule 12-16; additional details relative to the rulemaking timelines proposed for various measures; the varying operations and emissions profiles for each refinery as justification for close monitoring of refinery impacts through 2020; how the ambient air quality standards inform Air District efforts and the goals that result; the regional nature of the Air District's charge from the State; why Air District efforts focus on sulfur dioxide and fine particulate matter (PM); whether the volume of throughput at the refineries will be limited by the Air District and what a 20% reduction in emissions is expected to originate from; whether refineries can be required to report more frequently and with greater detail than currently required under proposed rule 12-16; the viability of incentivizing success or punishing failure relative to accelerating the exchange of plans contemplated under proposed rule 12-15; why the community monitoring timeline is not less than two years; the viability of temporary or mobile monitoring as an interim solution to community monitoring; the nexus for the proposed ten-year timeline for review of risk reduction plans and the cost-effectiveness numbers provided for reductions, both under proposed rule 12-16; the lack of context for the figures provided in slides 7, *Reduce Harmful Emissions – Phase I*, and 8, *Reduce Harmful Emissions – Phase II*; whether proposed rules 12-15 and 12-16 should reference or otherwise coincide with other regulations intended to collectively achieve the 20% reduction target; the variety of forms community monitoring takes based on local requirements imposed by fence-line communities and cities; speculation about the outcome of HRAs that result from the modified risk level; the interplay between and likely duplicative outcome of the 20% reduction campaign and the new HRAs pursuant to the new OEHHA standards; the state of discussion regarding establishing a scientific panel to consider the likely result of imposing regional refinery emissions caps under the State's cap-and-trade system; the disappointing legislative outcome regarding Senate Bills 32 Pavley and 350 De Leon; an explanation of the monitor citing process; a summary of the process for a refinery changing its crude slate; and the modification of a crude slate with a change in emissions as a significant change that will trigger a new source review (NSR).

NOTED PRESENT: Director Mar was noted present at 10:11 a.m. and Director Haggerty was noted present at 10:41 a.m.

Public Comments:

Bill Quinn, California Council for Environmental and Economic Balance, addressed the Committee regarding the history of decreasing pollution levels and refinery emissions and in opposition to the proposed rules.

Kevin Buchan, Western States Petroleum Association (WSPA), addressed the Committee regarding the trade secret protection for crude slate information contemplated under the proposed

rules; to suggest the heavy liquid proposal will result in a skewed, high-emission profile; and in opposition to the proposed rules.

Committee Chairperson Gioia and staff discussed the WSPA comments relative to data quality.

Steven Nadel, Sunflower Alliance (SA), addressed the Committee to ask why an emission cap is not included in the proposed rules and whether proposed rule 12-16 will actually reduce emissions.

Kathy Wheeler, Shell, addressed the Committee to suggest the proposed rules were revised significantly since the last publicly available version and the timeline for comments was inadequate; to opine that community groups' data and resulting claims are incorrect and misleading; and to suggest that the proposed rules, if enacted, will threaten the refineries' ability to compete in the broader market.

Jed Holtzman, 350 Bay Area, addressed the Committee to suggest that public comments should not be weighted the same as comments from industry representatives in light of the inherent motivating factors of each; to suggest the presentation today was nearly identical to that delivered on June 4, 2015; to suggest Board supervision of staff is inadequate; and to report that staff has not consistently posted copies of its anticipated presentations on the Air District website in advance of public meetings.

Rebecca Auerbach addressed the Committee in opposition to rules that do not impose GHG limits and to suggest that industry is short-sighted by nature.

John Anderson, 350 San Francisco, addressed the Committee to suggest that advisory levels are not a substitute for hard limits; there is ample scientific evidence of climate damage being done and the limited time available to act effectively; that grassroots action is necessary to advance the cause; and the claim of trade secrets or proprietary information is an inadequate excuse at this juncture not to enact refinery rule.

Don England, Tesoro Refinery, addressed the Committee in opposition to the proposed regulations based on the employment impact for local communities.

Bill Pinkham, SA / 350 Bay Area, addressed the Committee to suggest the currently proposed regulations seem nonsensical; the impacts of global change are accelerating; and that it was improper for staff to issue a permit to Phillips 66 during the workshop process without first seeking public input.

Steven Yang, Chevron, addressed the Committee in opposition to proposed rule 6-5 in light of the emissions contribution and the cost of abatement.

Jeff Kilbreth, Richmond Planning Commission, addressed the Committee to commend the regulatory framework and the progress made on the same; to suggest that the proposed reductions seem to be less difficult to attain than originally characterized; to suggest a different cost/benefit equation be devised in light of the value of the impacts; to suggest the importance of making a decision about which pollutants will be monitored; to suggest that the timelines on the

rulemaking are too long; and to advocate for discussing and treating chronic and acute health situations differently, as acknowledged by public health professionals.

Susan Nelson, Shell Oil Company, addressed the Committee regarding her long-term residency in the Bay Area, along with that of her extended family; to suggest Shell is a responsible corporate citizen and environmental steward; and to opine that regulatory decisions impact local workers, not corporate executives.

Marie Walcek, California Nurses Association (CNA), addressed the Committee to express frustration with the continued use of words, “planning, tracking and monitoring” instead of “capping and reducing;” to suggest that GHGs should not be discussed as being without health consequences; and in support of imposing numeric caps on GHG emissions.

Carolyn Bowden, CNA, addressed the Committee in opposition to the proposed regulations for not going far enough towards an immediate GHG cap instead of further studies and for allowing refineries to self-report; and to suggest that industry representatives are disingenuous when threatening to move in the face of enhanced regulations.

Claire Broome, Emory University, addressed the Committee regarding the complexity of the issues and to suggest that the letter to Mr. Broadbent from Richard Corey, Executive Officer, ARB, dated September 17, 2015, is instructive but does not speak to issues of concern to the Air District; and in support of imposing numeric caps on GHG emissions now.

Charles Davidson, SA, submitted written material, *September 21, 2015 To: Bay Area Air Quality Management District Board Members*, and addressed the Committee by reading from the same.

Tim Laidman, Green Party of Contra Costa County, addressed the Committee to suggest that comments from industry representatives should be weighted to take into consideration their company activities and resulting interests; in support of a carbon tax; and in support of local GHG regulations.

Greg Karras, CBE, submitted written material, *Excerpt from CBE’s Comments on New Proposed Rule 12-16*, and addressed the Committee in support of the staff proposal; to request the imposition of a moratorium on permitting of projects relating to rulemaking; and to request language imposing numeric caps on refinery emissions be included in this rulemaking.

Committee Chairperson Gioia and Mr. Karras discussed the source of the data in the written material submitted by Mr. Karras.

Anne Donjacour, 350 San Francisco / Buddhist Climate Action Network, addressed the Committee regarding the rising community interest in the work of the Air District; to suggest time is critical and progress seems slow; and to suggest that the letter from Mr. Corey was solicited and is being insincerely presented as something else.

Committee Chairperson Gioia and Ms. Donjacour discussed the appropriateness of her comparing Mr. Corey to the Republican caucus of the United States Congress.

Ann Puntch, SA, addressed the Committee regarding the seemingly imperfect outreach performed by the Air District; the varying degree of benefit felt from fence-line monitoring and the hope that lessons are being learned for future application; to express a willingness to collaborate with the Air District if it can provide guidance and leadership; and in support of numerical emissions caps and the proposals brought by CBE.

Richard Gray, 350 Marin, addressed the Committee to suggest the Air District is an air quality partner with the public instead of industry and to propose the immediate imposition of GHG reductions with the express purpose of closing the refineries in the Bay Area.

Ken Jones, 350 Marin, addressed the Committee to suggest the Air District rulemaking process seems stagnant and lacking any of the urgency the world seems to demand, and to request immediate action.

Jim Wilson addressed the Committee to share data purportedly showing the directly attributable health impacts of combustible-source energy systems; to ask what justifies these continued impacts; and to request moral leadership.

Janet Johnson, SA / Richmond Progressive Alliance, addressed the Committee regarding her long-term residency in a front line community; to suggest that everywhere will essentially be a front line community because of climate change and that the Air District and State are not taking the matter seriously; and in support of CBE's proposals.

Ratha Lai, Sierra Club San Francisco Bay Chapter, addressed the Committee to inquire about where and how the Air District has incorporated the concept of environmental justice in the current proposals and to suggest that community members want a healthy environment.

Elsa Monroe addressed the Committee in support of proposed rule 12-16; to report a noticeable change for the worse in ambient air quality after moving from Oakland to Richmond; and to opine that environmental racism is occurring across the United States.

Andrés Soto addressed the Committee to suggest the current process of establishing the refinery rulemaking framework is reminiscent of the Civil Rights and Voting Rights acts in that they are all unpopular changes to current behavior and to request the Committee disregard the letter from Mr. Corey.

Pat Toth-Smith addressed the Committee to suggest that numeric limits on GHG and PM are needed; that the State's cap-and-trade program will do nothing to improve conditions in fence-line communities where children play and attend school with no ability to protect themselves; and in support of CBE's proposals.

Kathy Kerridge addressed the Committee in support of fence-line monitoring that is not industry-run; imposing caps on GHG emissions that spur technological advancement instead of caps that are best available current technology; and CBE's proposals.

Nancy Rieser, Crockett-Rodeo United to Defend the Environment, addressed the Committee regarding conversations with acquaintances employed by the fossil fuel industry who admit the time for change is now; to urge for a disassociation from the petrochemical industry; and to

suggest that Air District staff are working primarily to attain employment positions within industry.

Committee Comments (continued):

The Committee and staff discussed repeated statements regarding the desire for more information on the timelines for Air District action and emissions reductions; clarification of the staff position largely having to do with a concern about the proper timing of implementing these proposals, not the need for or appropriateness of the proposals; belief that GHG caps are premature; disagreement with comments suggesting inadequate time was provided for the public comment phase of the rulemaking process; an explanation the staff opinion relative to actual emissions versus potential to emit (PTE) as the most appropriate basis for caps; legal opinion that the Air District does not have moratorium authority; staff development of a strategy timeline, including opportunities for acceleration and alteration; concern regarding the improvement of health-related emissions as quickly as possible; the likely intent of the letter to Mr. Broadbent from Mr. Corey; the admittedly noteworthy work of ARB that should be complemented by careful and considered Air District efforts; an explanation of the actual process, protocol and typical results of refinery self-monitoring; the Air District's inability to regulate airports; the importance of prioritizing Air District campaigns due to multiple demands and limited resources; the contribution of refinery emissions to the regional total; the viability of including GHGs during the NSR permitting process; a summary of recent legislative and executive actions at the State level; the importance of and benefit to the state and local processes of public advocacy work.

**4. APPROVAL OF THE MINUTES OF APRIL 20, 2015 AND MAY 27, 2015
[AGENDA ITEM 3]**

Committee Comments: None.

Public Comments: No requests received.

Committee Action:

Director Spering made a motion, seconded by Director Hudson, to approve the Minutes of April 20, 2015 and May 27, 2015; and the motion carried by the following vote of the Committee:

AYES:	Avalos, Gioia, Hudson, Mar, Pepper and Spering.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Groom, Haggerty and Sinks.

3. REFINERY STRATEGY UPDATE (CONTINUED)

Committee Comments (continued):

The Committee and staff discussed the materials that should be made available for the upcoming Board meeting; a Board member's opinion that the regulatory progress has been slow and that information explaining the inadvisability of numeric caps has been absent; a request for a report

detailing the specific reductions to be achieved along a five-year timeline under the proposed regulations and relative to GHGs as part of the NSR permitting proposal; the desire for more information and clarity relative to the legal obstacles to imposing emissions caps and the issue of actual emissions versus PTE.

Committee Action: None; receive and file.

5. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS: None.

6. TIME AND PLACE OF NEXT MEETING

Monday, October 19, 2015, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, CA 94109 at 10:30 a.m.

7. ADJOURNMENT: The meeting adjourned at 12:37 p.m.

Sean Gallagher
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

Date: January 20, 2016

Re: Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants Amendments

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District implements several programs that are designed to identify and reduce public exposure to toxic air contaminants (TACs). The Air District's Permitting Program relies on standardized procedures to assess potential health impacts from new and modified sources. The state Office of Environmental Health Hazard Assessment (OEHHA) develops and periodically updates the Health Risk Assessment (HRA) guidelines, while California Air Resources Board (CARB) and California Air Pollution Control Officers Association (CAPCOA) provide risk management (RM) guidance. In 2015, OEHHA adopted major revisions to the HRA guidelines and CARB/CAPCOA updated the RM guidelines. These revised guidelines reflect improved methods for calculating public health risk and account for children's heightened sensitivity to toxic air contaminants.

DISCUSSION

The Air District's risk management policies and procedures for the Air Toxics Permitting Program are implemented through Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants. The Air District is proposing to incorporate the updated HRA and RM guidelines into Regulation 2, Rule 5. Overall, the proposed amendments will increase the stringency of this rule. For most carcinogens, the calculated cancer risk for residents will increase by about 40% compared to the Air District's current procedures. For carcinogens with multiple exposure pathways, the calculated cancer risk may increase by 2-5 times. As part of this report, staff will update the Committee on the elements of the rule proposal.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jaime Williams
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: January 27, 2016

Re: Assembly Bill (AB) 2588 Air Toxics "Hot Spots" Program Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Bay Area Air Quality Management District (Air District) began implementing the AB 2588 Air Toxics "Hot Spots" Information and Assessment ("Hot Spots") Program in 1987. Under this program, facilities must report their toxic air contaminant emissions to the Air District as outlined in the program. Facilities with potentially significant health risk, as determined by the Air District, must perform a detailed health risk assessment (HRA); notify the public if the cancer risk exceeds ten in one million (10/M) or non-cancer hazard index greater than one; and conduct an airborne toxic risk reduction audit and develop a plan to implement airborne toxic risk reduction measures that will reduce the risk their facility represents to the public if that risk exceeds one hundred in one million (100/M) or the non-cancer hazard index is greater than ten.

DISCUSSION

In 1991, the first year of the risk assessment phase of the program, 35 facilities were identified with health risks that exceeded 10/M, triggering public notification requirements. The number of facilities requiring public notification has steadily decreased over time as industries reduced toxic emissions and refined estimates of risk. Currently, only one Bay Area facility is subject to the public notification requirement. There are currently no facilities in the Bay Area that have risks identified at 100/M or greater.

Staff believes it is important that the risk from facilities that emit toxic compounds be assessed in HRAs that reflect the latest science and include compounds that have been included in the "Hot Spots" program since the HRAs were last conducted. In order to be more protective of public health, Air District staff will be proposing to reduce the level at which a facility must reduce the risk their facility represents from its current level of 100/M to 25/M and non-cancer hazard index from 10 to 2.5.

In March 2015, the Office of Environmental Health Hazard Assessment (OEHHA) updated the health effects values, including newly identified toxic compounds, and health risk assessment guidance manual to reflect advances in science. These refinements and updates, along with changes to the Hotspots Analysis and Reporting Program (HARP) suite of software products produced by the California Air Resources Board (CARB) and Risk Management Guidance produced by CARB and the California Air Pollution Control Officers Association (CAPCOA), will result in HRAs that are more protective of public health.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Staff expects changes to implementation of the “Hot Spots” Program will require additional staff resources. Specific resource demands will be presented with a specific proposal.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Victor Douglas
Reviewed by: Jean Roggenkamp