

Bay Area Air Quality Management District
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APPROVED MINUTES

Advisory Council Regular Meeting
Tuesday, July 19, 2016

*Note: An audio recording of the meeting is available on the website of the
Bay Area Air Quality Management District at
<http://www.baaqmd.gov/about-the-air-district/advisory-council/agendasreports>*

1. CALL TO ORDER

Advisory Council (Council) Member Stan Hayes called the meeting to order at 10:08 a.m.

Roll Call:

Present: Council Chair Hayes, Council Vice Chair Kleinman, and Members: Professor Borenstein, Dr. Harley, Dr. Lipman, and Dr. Long.

Absent: Ms. Doduc.

Also Present: Cupertino Councilman Rod Sinks, Board of Directors (Board) Liaison.

2. APPROVAL OF THE MINUTES OF APRIL 25, 2016

Vice Chair Kleinman made a motion, seconded by Member Borenstein, to approve the minutes of April 25, 2016; and the motion carried by the following vote of the Council:

AYES: Borenstein, Harley, Hayes, Kleinman, Lipman, and Long.
NOES: None.
ABSTAIN: None.
ABSENT: Doduc.

3. WELCOME

Jack Broadbent, Executive Officer/Air Pollution Control Officer welcomed the Council to the Air District's new building, which he said was designed to be a center for regional government. He thanked the Council for its deliberation at the April 25th meeting, and for Chair Hayes' presentation of the Council's preliminary conclusions at the June 15th Board meeting. Mr. Broadbent explained that the Council's primary conclusions contributed to staff's development of Rule 12-16, which will be presented at the July 20th Board meeting. Jeffrey McKay, Deputy

Air Pollution Control Officer, described the items on the July 19th Advisory Council agenda, including an interactive session to finalize the Council’s primary conclusions regarding the efficacy of greenhouse gas (GHG) caps for local refineries.

4. PUBLIC COMMENT ON AGENDA MATTERS

Kevin Buchan, Western States Petroleum Association (WSPA), stated that WSPA is in alignment with the Council’s primary deliberations, which supported not pursuing caps on emissions for refineries. Mr. Buchan stated that he is concerned that some members of the Board have dismissed and disregarded the Council’s opinion, and urged staff to continue utilizing the Council to procure sound science in order to produce sound policy.

Mr. Broadbent and Director Sinks both disputed Mr. Buchan’s comments, explaining that many of the Board members are interested in the Council’s recommendations. Mr. Broadbent added that the question of whether to cap *only* GHG emissions, *and/or* localized toxics, is a sub-topic for passionate discussion for the development of this rule.

5. UPDATE ON REFINERY RULEMAKING

Jean Roggenkamp, Deputy Executive Officer, thanked the Council for discussing the efficacy of GHG caps at refineries in April. She listed the five emission (criteria pollutants and toxics only) reduction regulation amendments that the Board adopted between December 2015 and April 2016: Rule 6-5, Particulate Emissions from Refinery Fluidized Catalytic Cracking Units; Rule 8-18, Equipment Leaks; Rule 11-10, Hexavalent Chromium Emissions from all Cooling Towers and Total Hydrocarbon Emissions from Petroleum Refinery Cooling Towers; Rule 9-14, Petroleum Coke Calcining Operations; and Rule 12-15, Petroleum Refining Emissions Tracking. After acknowledging the District’s ongoing goal of achieving a 20% reduction in refinery emissions (criteria pollutants) by 2020, Ms. Roggenkamp spoke about the topic of limits, or caps, about which the Board heard from public, staff, Chair Hayes, and stakeholders on June 15. She said that the Board directed staff to propose schedules for both a staff-recommended proposal and the community-worker proposal (numeric emission caps at refineries), both of which are to be presented to the Board on July 20. Ms. Roggenkamp then described the elements and EIR timeline of the staff-recommended proposal called the “Toxic Risk Cap proposal,” which will be presented at the July 20 Board meeting.

Public Comments:

No requests received.

Council Comments:

The Council and staff discussed: the divergent foci of each proposal (staff and community-worker); guidance documents from the Office of Environmental Health Hazard Assessment (OEHHA) that translates the measure of emissions into risk, and how risk factors have evolved and increased; the definition and context of “100 in a million”; the District’s role in administering the Air Toxics "Hot Spots" Information and Assessment Act (AB 2588) which requires stationary sources to report the types and quantities of certain substances routinely released into the air; whether or not the two proposals include ways to monitor and mitigate

fugitive emissions, and the District’s plans to monitor methane leakage; the extent to which the benefits of the community-worker proposal would be local versus region-wide; other types of particulate matter (PM) that can be incorporated into the staff proposal’s Health Risk Assessments (HRA); the status of District negotiations with the California Air Resources Board (ARB) on limiting local GHG emissions; the correlation between climate change and public health; whether or not caps are the appropriate approach to direct regulation of toxics, and if the District does pursue the caps, whether or not the District should implement this separately from the ARB’s efforts; and the possibility that the health of disproportionately impacted residents may not be positively affected by the implementation of caps on GHG emissions, and may even be further compromised.

Council Action:

None; receive and file.

6. COUNCIL DELIBERATION ON KEY QUESTION

Chair Hayes explained how the Council’s preliminary deliberations regarding the efficacy of GHG caps on refineries took shape on April 25. He further explained that, since April, staff had formatted and enhanced the Council’s deliberations and returned them back to the Council for a final review on July 19.

Council Comments:

The Council and staff discussed: whether or not it is appropriate to include criteria pollutants and toxics in the cap with GHG emissions; the definition of “toxic air contaminants”; how implementing numeric emission caps on Bay Area refineries would only shift the generation of air contaminants to plants outside the Bay Area (“leakage”); the difference between “carbon free” and “renewable”; the need for alternative solutions besides caps that can be presented to the Board, such as putting efficiency standards on furnaces and process heaters, locating and repairing “super-emitting” industrial equipment, or controlling GHG emissions from a top-down approach; the District’s current monitoring efforts and the accuracy of inventory; whether or not the California Energy Commission (CEC) should measure efficiency standards for refineries at a statewide level; how permit fees that polluters pay the District are inconsistent with the cost it imposes on the community; and the difference between capping actual emissions and capping the potential to emit.

Public Comments:

No requests received.

Council Action:

None; receive and file.

The meeting was adjourned for lunch at 12:50 p.m. The meeting reconvened at 1:34 p.m.

7. CLEAN AIR PLAN AS A FRAMEWORK FOR FUTURE COUNCIL TOPICS

Ms. Roggenkamp stated that the Clean Air Plan addresses the reduction of GHG, criteria pollutants, and toxics, and was last updated in 2010. She explained that because the Plan is just now being updated again, staff thought it would be a good opportunity to engage with the Council on this topic. Ms. Roggenkamp introduced Henry Hilken, Director of Planning and Climate Protection, who gave the staff presentation *2016 Clean Air Plan and Regional Climate Protection Strategy Update*, including: planning context; overview of climate action; climate protection resolution; Bay Area GHG emissions; Bay Area GHG projection to 2050 with key state programs; economic sector analysis; tools and objectives; transportation; stationary sources; energy; buildings; waste and water; agriculture and natural and working lands; short-lived climate pollutants; and key questions.

Public Comments:

No requests received.

Council Comments:

The Council and staff discussed: how the total of 2015 GHG emissions by sector is actually closer to 90 MM CO₂e, rather than 80 as shown on slide 6 of the presentation; how the Bay Area GHG projection to 2050 is based on the assumption that refineries will produce less or export more and how current policies are insufficient to achieve the projected targets; the increase of agencies that are implementing Community Choice Aggregation; staff's proposed schedule for the Plan's circulation and Board adoption; the District's leadership role(s) in the prioritized programs outlined in the climate strategy that show potential for affecting other states and regions; possible venues for a review of the overall coherency and strategic assessment of the Plan; the transportation sector as the largest source of GHG emissions, PM, ozone precursors, and toxics; the alignment of goals and methods; power plants being categorized into the energy sector, versus in the stationary source sector, for the purposes of this discussion; whether or not the Plan analyzes market failure and the cost-effectiveness of the measures that are about to be proposed to the Board; the possibility of including induction-based heating appliances in the home to the building measures for which energy may be decarbonized; the Council's ability to prioritize the sector programs that captures its interest and apply them to the District's rulemaking schedule; the Council's request for the Board's program prioritization so that the Council may address the Board's questions and not diverge from the Board's goals, and the speculation that the Board would welcome any non-refinery regulatory and incentive suggestions for Director Gioia to take to the ARB; the tradeoffs of using District grant monies to fund non-GHG-focused initiatives that would still improve respiratory health; the general sense that the Board strives to improve climate change but that addressing public health is its fundamental mandate; and the update of the District's Multi-Pollutant Evaluation Methodology.

Council Action:

None; receive and file.

OTHER BUSINESS

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COUNCIL MEMBER COMMENTS / OTHER BUSINESS

Vice Chair Kleinman gave his report out on the Air and Waste Management Association's 109th Annual Conference that was held from June 20–23. His report included his role as Chair of the Critical Review given by David Allen called "Emissions from Oil and Gas Operations in the United States and Their Air Quality Implications," and planning next year's critical review dealing with waste water and fracking.

Chair Hayes' report on the same conference especially noted the value and enjoyment of getting to know Board Members and District staff better, the synergy that comes from informal interactions among Board, staff, other Council members, and agencies from all over the country, and the direct value and relevance to Council deliberations of important scientific developments regarding emissions of volatile organics, air toxics, GHGs, and other pollutants from refineries and other oil and gas facilities.

Chair Hayes said that a final report should be generated about the issues that the Council has discussed over the previous months.

10. TIME AND PLACE OF NEXT MEETING:

Chair Hayes directed staff to poll the Council for meeting dates in September.

11. ADJOURNMENT

The meeting adjourned at 3:18 p.m.

MS/ Marcy Hiratzka

Marcy Hiratzka
Clerk of the Boards