Comment #1

BAAQMD received via email on April 1, 2024

Hello,

My name is Aria and I am a Richmond, CA resident. I am writing to comment on the 2023 FMP from Chevron regarding their Richmond refinery. The 2023 Flare Minimization Plan proposed by Chevron is inadequate to address the prevalence of flaring issues propagated by this facility and the ongoing health and safety impacts on the East Bay community. Flaring has substantially increased at the refinery since 2018, and this is evident in the numerous Level 1 incidents that have occured in the past year alone. I have lived in Richmond for years and I have seen more alerts in the last year than in the past. The repeated incidents and Chevron's casual response has served to normalize flaring, which it is not and should never be. Chevron seems determined to avoid accountability or implement additional means of reducing flaring, so please as the BAAQMD, advocate on behalf of community members like myself to reduce these incidents and put in place more safety regulations and monitoring at the refinery.

Sincerely, Aria Dill

BAAQMD received via email on April 3, 2024



April 3, 2024

Submitted via electronic mail (compliance@baaqmd.gov)

Re: Chevron 2023 Flare Minimization Plan

Dear BAAQMD,

Thank you for the opportunity to comment on Chevron's 2023 Flare Minimization Plan (FMP). Communities for a Better Environment (CBE) is submitting the following comments on Chevron's 2023 FMP, building on the comments we submitted roughly one month ago on Chevron's 2022 FMP.

All the points we raised with regards to Chevron's 2022 FMP remain relevant for the 2023 FMP, especially because large sections of the 2022 FMP were not updated at all, and simply copy and pasted into the 2023 FMP. We will discuss this in greater detail. CBE has attached our 2022 FMP comment letter for BAAQMD's reference and for the public record, as none of those points have been adequately addressed in the 2023 FMP. While we will not go into detail on each point we have already raised, we do want to restate the eight points to ensure that they are not forgotten. Details on each point can be found in the attached 2022 comment letter:

- 1. Improve and expand FMP reporting on the *magnitude* and *frequency* of flaring events.
- 2. Ensure that Chevron focuses on relevant actions that occur during the FMP period and recent years, rather than the distant past.
- 3. Ensure Chevron does not use data analysis and representation methods that are misleading, as is currently the case in the 2023 FMP.
- 4. Ensure that safety and environmental health, not profit, drive Chevron's justifications for the (restricted) use of flaring.
- 5. Reduce flaring at the Hydrogen Plant, a significant source of flaring at the Chevron Refinery that is under-addressed in the FMP.
- 6. Amend BAAQMD flaring rules and tighten emissions standards further.
- 7. Enhance compliance monitoring, even before flaring rules have been revised.
- 8. Make flaring and FMP data more publicly accessible on the BAAQMD website.

We expand on two of these points, namely #5 and #6. We hope to offer further explanation, and additional suggestions on how these issues can be addressed.

5. <u>Reduce flaring at the Hydrogen Plant, a significant source of flaring at the Chevron Refinery that is under-addressed in the FMP.</u>

As BAAQMD data has shown and the 2023 FMP and previous FMPs have made abundantly clear, flaring has significantly increased at the Chevron Richmond Refinery due to the construction of the Hydrogen Plant in 2018. In fact, the Hydrogen Plant is not just "a significant" source of flaring – it is the *main* source of flaring at the Richmond refinery. Hydrogen production was involved in 78% of the flaring incidents requiring causal analysis during the 2023 FMP period.² A shocking 61% of reported flaring incidents were due to the start up or shut down of the Hydrogen Plant alone.³ These 14 flaring incidents (of 23 total incidents) were all justified with the following statement: "flaring cannot be prevented during Hydrogen plant startup due to facility and relief system design. Operational activities were consistent with startup procedures." CBE questions why the Hydrogen Plant was starting up and shutting down so frequently in the first place, and whether these non-emergency flaring incidents could have been avoided. If flaring cannot be separated from Hydrogen Plant operations, then the Hydrogen Plant operations must be more closely scrutinized, with each shutdown and startup explained and justified individually. Whether or not the operational activities were consistent with existing startup procedures, CBE firmly believes that "facility and relief system design" are *inadequate* if they result in this high a frequency of flaring. The rest of this section will explore these flaws in "facility and relief system design."

The high number of hydrogen-related flaring events are an indication of what occurs when there is no flare gas recovery (FGR) system, as exists at some parts of the refinery, but does not exist at the Hydrogen Plant. As was an issue with the 2022 FMP, the 2023 FMP does not analyze or even begin to explore the incorporation of flare gas recovery into the Hydrogen Plant's operations, *nor* does it adequately explore other non-FGR methods for reducing flaring at the Hydrogen Plant. For example, there is no mention of the Hydrogen Plant in key sections of the 2023 FMP where Chevron theoretically outlines actions they have taken to reduce flaring, including *Table 3-1: Historical Changes to Reduce Flaring, Table 4-1: Planned Improvements to Reduce Flaring,* and *Table 5-1: Past Flaring During Major Maintenance Activities & Improvements Implemented.* The absence of the Hydrogen Plant from these tables is a tremendous omission and suggests that Chevron has not taken adequate steps to reduce flaring at the Hydrogen Plant.

With regards to the absence of FGR at the Hydrogen Plant, CBE is not only curious why there is no FGR system in place, but why there has *not been any analysis of how it could be implemented* in the 2023 FMP or any FMP since the Hydrogen Plant was opened in 2018. The existing FGR system for other portions of the refinery has helped reduce flaring, protecting Richmond's air, environment, and community. BAAQMD should require Chevron to explore the

¹BAAQMD. "Frequency of Flaring Events," n.d. https://bit.ly/BAAQMDflaring2005-23.

² Of the 23 reported incidents, 18 mentioned the Hydrogen Plant or hydrogen production. See "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2023," September 14, 2023, <a href="https://www.baaqmd.gov/~/media/files/compliance-and-enforcement/flares/2024/2023-chevron-annual-fmp-update-pdf.pdf?rev=f27e1070aa6f4c94a5d1f4cc9117b873&sc_lang=en, p. 89-96.

³ Of the 23 reported incidents, 14 mentioned shut down or startup of the Hydrogen Plant. See "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2023," September 14, 2023, <a href="https://www.baaqmd.gov/~/media/files/compliance-and-enforcement/flares/2024/2023-chevron-annual-fmp-update-pdf.pdf?rev=f27e1070aa6f4c94a5d1f4cc9117b873&sc_lang=en, p. 89-96.

implementation of a FGR system at the Hydrogen Plant, whether that involves linking the Hydrogen Plant to the existing FGR, or (if necessary, given differences in technology or composition of vent gas, or physical distance) developing a separate FGR system for the Hydrogen Plant.

BAAQMD should also complete independent research on available options for flare gas recovery at hydrogen plants. This analysis is urgent, especially given Chevron's dramatic uptick in flaring over the past five years. Given the projected increases in hydrogen production and refinery conversions across the entire state of California, BAAQMD's independent analysis of FGR (and other non-FGR methods for reducing flaring) at hydrogen plants would not only be relevant for reducing flaring at the Chevron Richmond Refinery but for dozens of other refineries and impacted communities across the Bay Area Air District and the state.⁴

6. Amend BAAQMD flaring rules and tighten emissions standards further.

As we stated in our comments on the 2022 FMP, CBE commends and supports the enthusiasm we have heard in the Richmond community for a serious revision of BAAQMD's flaring rules to tighten emissions standards. This is particularly important when it comes to the Hydrogen Plant, and we encourage BAAQMD to consider whether tighter and/or additional standards should be set for this type of industrial process. Other air districts across the state are well under way with these sorts of rulemaking procedures, and we encourage BAAQMD to follow suit. For example, the South Coast District is rewriting its flaring regulations, and implementing a new NOx standard for flaring at hydrogen production plants that BAAQMD should use as a starting point for its own regulations. We encourage BAAQMD to go above and beyond what has already been established in other air districts to hold Bay Area refineries to the highest environmental and public health standards possible. As Richmond residents have made their voices heard through the Path to Clean Air CERP, which, upon Air District approval, would commit BAAQMD to initiate rule redevelopment for Rule 12-11 and 12-12 by the end of 2024, we encourage BAAQMD to include residents in rule redevelopment at every stage of the process.

As part of this rulemaking, we encourage BAAQMD to strengthen their threshold for cost-effectiveness, which was set over 25 years ago in 1997, and is long overdue for reassessment.⁷ This threshold has been seemingly forgotten, but it greatly limits BAAQMD's

⁴ See, for example, the State of California's hydrogen goals and funding estimates at https://business.ca.gov/industries/hydrogen/.

⁵ South Coast Air Quality Management District. "Draft Staff Report: Proposed Amended Rule 1118 – Control of Emissions from Refinery Flares," March 2024. https://www.aqmd.gov/docs/default-source/rule-book/Proposed-Rules/1118/par-1118-draft-staff-report-april-5-2024.pdf?sfvrsn=32, p. 1-2.

⁶ See Strategy 2.6 in the Fuel Refining Section in "Path to Clean Air Community Emissions Reduction Plan," December 2023, https://www.baaqmd.gov/~/media/files/ab617-community-health/richmond/richmond-ptca-cerp-plan/final-draft-plan_december2023_v2-pdf.pdf?rev=18f908c0da024baeadc8a23c7e84a08e, p. 97.

ability to require Chevron (and other Bay Area refineries) to upgrade their equipment and expand compressor, storage, and treatment capacity to decrease flaring. The significance of this threshold is made especially clear in Section 5.2.5 of the 2023 FMP – Evaluation of Options for Additional Capacity, more specifically Table 5-3: Capital Cost Estimates for Increased Recovery Capacity, where Chevron calculates the "cost effectiveness" of adding various capacity improvements. Chevron dismisses the possibility of any additional compressor, storage, or treatment capacity with a single sentence – these investments exceed the threshold set by BAAQMD. During rulemaking on flaring, BAAQMD should adjust the cost-effectiveness threshold, and any other relevant thresholds and standards, to support the Air District's climate and community health goals, recognizing that the major increase in flaring at Chevron, the escalation of climate change, and the decline of community health necessitate stronger and bolder strategies to reduce flaring and hold refineries like Chevron accountable for their pollution. It is past time for Chevron to invest in equipment including storage containers for vent gas and fuel gas.

But even aside from the hopeful possibilities of new rulemaking, we must highlight that there are huge gaps and oversights in Chevron's analysis, even benchmarked against BAAQMD's existing cost-effectiveness standard.

Chevron has copy-and-pasted Table 5-3 every year since they produced their first FMP for 2006-2008, not updating or adjusting their cost-effectiveness calculations at all. Furthermore, their cost-effectiveness calculations only price out the cost of adding compressor capacity and do not calculate the cost-effectiveness of adding treatment capacity or storage capacity. Both options would reduce flaring and protect community health. BAAQMD should require Chevron to update their calculations and complete cost-effectiveness calculations for adding storage and treatment capacity, not just compressor capacity. This is particularly critical when it comes to storage capacity for vent gas and fuel gas, which would dramatically reduce flaring and its harms. BAAQMD should also ensure that this section includes cost-effectiveness analysis of adding FGR capacity to the Hydrogen Plant. As previously stated, there is no such analysis in the 2023 FMP (or any FMP). We again encourage BAAQMD to complete its own analysis, carefully checking Chevron's estimates for compressor, storage, and treatment costs against the Air District's own estimates.

In conclusion, we urge BAAQMD to hold Chevron accountable to the greatest extent possible using Rule 12-12, requiring CBE's suggested updates to the 2022 and 2023 FMPs, while simultaneously tightening existing flaring rules and emissions standards, and conducting

⁸ See "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2023," September 14, 2023, <a href="https://www.baaqmd.gov/~/media/files/compliance-and-enforcement/flares/2024/2023-chevron-annual-fmp-update-pdf.pdf?rev=f27e1070aa6f4c94a5d1f4cc9117b873&sc_lang=en, p. 111.

⁹ See "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2023," September 14, 2023, <a href="https://www.baaqmd.gov/~/media/files/compliance-and-enforcement/flares/2024/2023-chevron-annual-fmp-update-pdf.pdf?rev=f27e1070aa6f4c94a5d1f4cc9117b873&sc_lang=en, p. 109-112.

thorough and independent analysis. We greatly appreciate you taking the time to read and review this comment letter and welcome any follow-up questions or comments you may have.

Sincerely,

Martine Johannessen

NorCal Staff Researcher Communities for a Better Environment

Kerry Guerin

Attorney & Just Transition Fellow Communities for a Better Environment

Keala Uchôa

Richmond Youth Organizer Communities for a Better Environment

Lazuli Trujano

Richmond Organizer Communities for a Better Environment



February 26, 2024

Submitted via electronic mail (compliance@baaqmd.gov)

Re: Chevron 2022 Flare Minimization Plan

Dear BAAQMD,

Thank you for the opportunity to comment on Chevron's 2022 Flare Minimization Plan (FMP), and for meeting with members of Communities for a Better Environment (CBE) to explain technical elements of the FMP. CBE is submitting the following comments on Chevron's 2022 FMP, informed by decades of organizing alongside community leaders in Richmond to achieve environmental health and justice, as well as technical knowledge of the oil refining process, including flaring regulations and feasible flaring reductions. While these comments focus primarily on the 2022 FMP, we hope that lessons learned could translate to all future FMPs. We also have included suggestions for how BAAQMD could improve public accessibility and awareness of all FMPs, and the content contained within them.

CBE celebrates the intention behind BAAQMD's Rule 12-12, passed in 2005, to minimize the frequency and magnitude of flaring at five major refineries across the Bay Area. However, nearly 20 years have passed since 12-12 was adopted, and flaring remains a persistent issue at the Chevron facility. In fact, flaring has significantly increased in recent years, particularly with the construction of Chevron's new hydrogen facility. Unfortunately, Chevron's 2022 FMP attempts to normalize their flaring, and does not indicate sufficient effort on the part of Chevron to reduce *either* the frequency *or* the magnitude of flaring in recent years. This is clearly reflected in the 2022 FMP, and can be addressed through the following changes:

- 1. Improve and expand FMP reporting on the *magnitude* and *frequency* of flaring events.
- 2. Ensure that Chevron focuses on relevant actions that occur during the FMP period and recent years, rather than the distant past.
- 3. Ensure Chevron does not use data analysis and representation methods that are misleading, as is currently the case in the 2022 FMP.
- 4. Ensure that safety and environmental health, not profit, drive Chevron's justifications for the (restricted) use of flaring.
- 5. Explore how to reduce flaring at the Hydrogen Plant, a significant source of flaring at the Chevron Refinery that is under-addressed in the FMP.

- 6. Amend BAAQMD flaring rules and tighten emissions standards further.
- 7. Enhance compliance monitoring, even before flaring rules have been revised.
- 8. Make flaring and FMP data more publicly accessible on the BAAQMD website.

1. <u>Improve and expand FMP reporting on the magnitude and frequency of recent flaring events.</u>

For Richmond residents living near the Chevron refinery, flaring events are experienced as discrete events, in which large amounts of vent gas and pollutants are released directly into the air. Rule 12-12 reinforces this understanding of flaring events by focusing on both their *frequency* and *magnitude* – how often they occur, and how large the events are. However, Chevron's 2022 FMP does not adequately capture either the frequency or magnitude of recent flaring events. For example, the Executive Summary presents graphs that focus on average daily vent gas flow and average daily emissions of methane, NMHCs, and SO2 (aka VOCs and SOx). But this is misleading. Flaring does not occur on an *average* daily basis (except at the Hydrogen Facility, where flaring does occur on a daily basis, addressed later in this letter). Industrial flares are designed to combust large volumes of gases *all at once*, which can and do emit tons of SOx and VOCs into already-overburdened communities. Thus, reporting emissions in terms of daily average does not convey how flaring occurs, and is experienced by surrounding community members (i.e., as discrete events, not daily average air quality).

Take as an example the recent unplanned flaring episode on November 27, 2023, which occurred over multiple hours stretching multiple calendar days, and released *millions* of standard cubic feet of vent gas, and *many thousands* of pounds of SO2, methane, and NMHCs into the air. Such emissions are very harmful for air quality, health, and climate change. The serious impact of this specific event would not be captured in any of these graphs, instead spread out as a daily average.

In order to bring the 2022 FMP, and all future FMPs, into greater alignment with the intention behind Rule 12-12, ¹² BAAQMD should require Chevron to:

1. Include additional graphs in the Executive Summary that indicate the *frequency* of flaring events over the past 5 years, as well as a more granular discussion of the frequency of flaring events during the FMP period in question. These should show dates when flaring occurred, and length of those events in hours. These graphs should also include a

The inclusion of these graphs is also supported by the requirements outlined in the recent Rule 6-5 Settlement Agreement between BAAQMD and Chevron, Attachment A #5.

¹¹ Non-Methane Hydrocarbons (NMHCs) are also generally known as Volatile Organic Compounds or VOCs. SO₂ is Sulfur Dioxide, also generally referred to as a broader class of Sulfur Oxides or SOx.

¹² BAAQMD Rule 12-12 states that the "purpose of this rule is to reduce emissions from flares at refineries by minimizing the frequency and magnitude of flaring." See BAAQMD, "Rule 12-12," July 20, 2005, https://www.baaqmd.gov/~/media/dotgov/files/rules/refinery-rules-definitions/rg1212_20211103-pdf.pdf.

- breakdown of "Emergency" vs. "Non-Emergency" flaring events.¹³ These graphs could help reveal temporal or seasonal flaring patterns to assess and target for further reduction.
- 2. Include additional charts in the Executive Summary that capture the *magnitude* and *impact* of recent flaring events, particularly those during the relevant FMP period. For example, BAAQMD should require Chevron to include a chart of the 10 largest flaring events by vent gas, and by emissions, over the previous 5 year period. Chevron should also be required to include a chart of the 5 largest flaring events over the relevant FMP period. The charts should include (at a bare minimum) the date, duration, emissions, and root causes of each event, in order to help identify patterns across the refinery's largest and most harmful flaring events. These charts would capture the *magnitude* of each of these events better than the existing graphs and tables. In addition, Chevron should provide a chart showing total flaring emissions of SOx and VOCs each year over time, to investigate whether emissions are increasing annually.

Furthermore, Section 5.1.4 (Past Flaring Requiring Causal Analyses) does not include any quantitative discussion of each of the flaring events, making it difficult to understand the relative magnitude and impact of each event. BAAQMD should require Chevron to include the magnitude of each event in this section of the FMP, as this information is already collected and publicly available on the BAAQMD website (in the form of total vent gas emissions, and SO2, NMHCs, and methane released). Altogether, a greater focus on the frequency and magnitude of flaring in the FMP will increase Chevron accountability, BAAQMD oversight and public awareness, bringing the FMP into greater alignment with Rule 12-12.

2. Ensure that Chevron focuses on relevant actions that occur during the FMP period and recent years, rather than the distant past.

Chevron's 2022 FMP disproportionately focuses on their past actions, rather than their recent actions. This leads to a long, unwieldy report that is difficult to digest, and creates the impression that Chevron has done much more to reduce flaring than it actually has in recent years. For example, Section 3.0 - Past Reductions - is 6 pages long, and includes 27 total actions. However, 24 of those actions (89%) occurred <u>more than 5 years</u> before the 2021-2022 FMP reporting year. In fact, only *one* action was reported during the 2021-2022 FMP period, suggesting that the vast majority of Chevron's work to reduce flaring occurred nearly 20 years ago. Similarly, Table 5-1 (Past Flaring During Major Maintenance Activities and Improvements Implemented), which lists lessons learned from flaring events during maintenance beginning in

¹³ CBE noted that more than 95% of flaring events over the 2021-2022 period (21 of 22 events) were considered "Not an emergency." Only one was considered an "Emergency," despite Chevron's repeated emphasis on the necessity of flaring in cases of emergency. The *vast* majority of flaring events that occurred during the 2021-2022 FMP period were non-emergency. See "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2022," September 30, 2022, https://www.baaqmd.gov/~/media/files/compliance-and-enforcement/flares/2023/chevron-2022-fmp-annual-update-public-pdf.pdf?rev=556a0fa7260c4d0fa5483ac965572763&sc_lang=en. p. 84-92.

2001, suggests a similar trend. The table spans 9 pages, but no new actions have been reported since 2016, more than 5 years before the 2022 FMP period.

We propose that BAAQMD require Chevron to adjust their focus to the past 5 years, rather than including lists of every flaring-related action since the early 2000s. This will help paint a more accurate picture of the steps that Chevron has taken recently to minimize flaring. For example, in Section 3.0, Past Reductions, limiting the list to the five years leading up to and including the 2021-2022 FMP period reveals that Chevron only took 3 total actions to reduce flaring during this timeframe in June 2019, October 2020, and June 2022. As previously stated, only one of these actions occurred during the relevant FMP period. For additional clarity, BAAQMD should require Chevron to highlight the rows in each section that are actually relevant for the specific FMP period. For continuity of records, we propose that historical data (anything earlier than 5 years leading up to the FMP period) be included in an appendix rather than the main report. This should be extended to other sections of the report, for example Table 5-1, as discussed above, and Table 5-1a, which lists every flaring event since 2006. Both of these should be edited to focus on the most relevant, recent events, and save less relevant historical information for an appendix. This will have the added benefit of creating a report that is more easily digestible for members of the public who are concerned with flaring and plan to read the FMP, but may be discouraged by an ever-growing, 100+ page document.

3. Ensure Chevron does not use data analysis and representation methods that are misleading, as is the case in the 2022 FMP.

Chevron's data analysis strategies and graphical representations manipulate the data to mask the gravity of flaring – both in frequency and magnitude – at the Richmond Refinery. As discussed in our first point, Chevron has failed to adequately capture the frequency and magnitude of recent flaring events in the 2022 FMP, by creating graphs that focus on average daily vent gas flow and emissions. This is dishonest about the nature of flaring events, as flares occur (and are experienced by surrounding community members) as discrete events. Similarly, our second point has shown how the report's overemphasis on the past inflates the sense that Chevron has been working to reduce flaring in recent years. This is especially relevant for the graphs presented in the Executive Summary, which show the annual vent gas flow and daily emissions beginning back in 2004. Chevron's efforts to reduce flaring in the early-to-mid 2000s were welcome efforts then, but should not be the standards against which we are measuring Chevron's progress in 2024, or for the 2021-2022 FMP period. These years are simply too old to be relevant starting points for the 2022 FMP. Plus, from a purely graphical standpoint, the higher vent gas flow and emissions between 2004-7 skew the graph's scale to make the more recent years appear small when compared with those early years, and disguises the significant increases in vent gas flow and emissions through flaring between 2017-2021. These graphs should be updated to focus on the most recent five years, with the longer timeframe graphs included in appendices.

These small details in the FMP raise broader issues about the nature of data representation, and the backwards nature of Chevron producing this report. We recognize that 12-12 requires Chevron to produce the FMP, and BAAQMD to approve the plan, but we strongly encourage BAAQMD to consider whether Chevron's methods for data analysis and representation paints an accurate picture of their reduction efforts, and whether they are acting in good faith in both their FMP reporting, and in the actions they claim to be taking. Beyond those mentioned here, BAAQMD should assess the FMP for other areas where data and reporting could be adjusted to more accurately reflect their flaring reduction efforts.

4. Ensure that safety and environmental health, not profit, drive Chevron's reductions and restricted use of flaring.

While it should go without saying that flaring should be restricted to use as a genuine safety measure, not a profit maximization strategy, Chevron's 2022 FMP report does not reflect this. This is particularly clear in Section 5.2.5, Evaluation of Options for Additional Capacity, in which Chevron explores possible alternatives to reduce flaring through increasing compressor capacity, storage capacity, or gas treatment capacity on site. Chevron concludes that they will not pursue any alternatives to build additional capacity because their calculated cost effectiveness exceeds the "\$20,000/ton NMHC emission reduction BAAQMD threshold for cost effectiveness referenced in the District's staff report for 1997 amendments to BAAQMD Rule 8-28."

First, we strongly encourage BAAQMD to revisit rule-making for this cost effectiveness threshold, as it has been over 25 years since Rule 8-28 was amended, and the climate and public health landscapes of the Bay Area, as well as inflation, have undoubtedly changed. This threshold is simply too low for our current context.

Second, CBE noticed that Table 5-3, which shows the Capital Cost Estimates for Increased Recovery Capacity has not been altered in *any* of Chevron's FMPs since 2006 – simply copy and pasted. This suggests that Chevron has not revisited these calculations in nearly 20 years, and thus, Chevron has not seriously considered adding additional capacity to reduce flaring. At a bare minimum, BAAQMD should require Chevron to redo these calculations. However, we also *strongly* encourage BAAQMD to complete an independent analysis that analyzes the feasibility and cost effectiveness of these additional capacity calculations, and checks Chevron's assumptions. We see the fact that Chevron has copy and pasted these calculations between FMPs for nearly 20 years as evidence that they have not been adequately exploring all options to reduce flaring, as well as manipulating data in order to support the status quo, which is their persistent flaring.¹⁴ We strongly encourage BAAQMD to assess whether Chevron's cost effectiveness assumptions are sound in the first place.

¹⁴ In the 2022 FMP, Chevron simply states that these calculations are in 2005 dollars. See "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2022," p.105.

In fact, CBE questions Chevron's conclusion that the cost effectiveness calculations definitively exceed BAAQMD's existing cost effectiveness threshold. Chevron's calculations sum the cost of adding compressor capacity, storage capacity, and treatment capacity (i.e., all 3 capacities), but do not explore the cost effectiveness of adding one or two of these elements (e.g., just adding storage capacity). BAAQMD should require Chevron to recalculate cost effectiveness for each additional capacity element as a standalone investment. This is particularly critical regarding additional storage capacity, which is not currently a part of the Richmond Refinery's vent gas recovery system but would dramatically reduce flaring, improving air quality and resident health. Adding storage capacity would also address a major limiting factor in reducing flaring at the refinery, which currently depends on a user (e.g., fired heater) with a need for the gas to reroute the gas away from flaring.

CBE acknowledges that Chevron emphasized feasibility and safety concerns when discussing additional storage on site. Chevron emphasizes how "there are always concerns about any plan calling for the storage of large volumes of flammable gas containing hydrogen sulfide and other sulfur compounds." We certainly agree that the safety of workers and surrounding communities should be of utmost importance when considering Chevron's oil refining operations, and flaring, however those flammable "gases containing hydrogen sulfide and other sulfur compounds" are the very same gases that the refinery currently flares. Given the persistence of flaring, and the continued negative impact on the air quality and health of Richmond residents, it is time for Chevron to explore bolder alternatives, even if they require greater financial investment, such as adding storage capacity.

5. Explore how to reduce flaring at the Hydrogen Plant, a significant source of flaring at the Chevron Refinery that is under-addressed in the FMP.

As the FMP makes abundantly clear, flaring has significantly increased at the Chevron Richmond refinery due to the construction of the Hydrogen Facility in 2018. The Hydrogen Plant was involved in 42% of the flaring incidents requiring causal analysis during the 2022 FMP period. The summary graphs in the Executive Summary also show consistently higher annual vent gas flow, and emissions of methane and NMHCs than in the flares with flare gas recovery system. This is in large part because no flare gas recovery system exists for the Hydrogen Plant, thus any efforts to reduce flaring at the hydrogen plant quickly reach limits that do not exist for portions of the plant where flare gas can be recovered and reincorporated into refinery operations. Quite notably, there is no analysis in the FMP on what a flare gas recovery system would entail for the hydrogen plant, but CBE firmly believes that there should be.

¹⁵ "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2022," p. 101.

¹⁶ "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2022," p. 103.

¹⁷ Ten of 24 flaring incidents reported in Table 5-1a involved the Hydrogen Plant. See "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2022," p. 84-92.

¹⁸ See summary charts in "Annual Update of Flare Minimization Plan - Chevron Richmond Refinery 2022," p. 2-3.

At a bare minimum, BAAQMD should require Chevron to explore the implementation of a flare gas recovery system to reduce flaring at the hydrogen facility. This analysis was never included in the 2022 FMP, or any FMP since the facility opened, and belongs in Section 5.2.5 – Evaluation of Options for Additional Capacity. BAAQMD should also consider whether the existing cost effectiveness threshold should apply to the hydrogen facility as well, developing a new or amended rule as needed. This could be included as part of the rule revisions discussed below.

6. Amend BAAQMD flaring rules and further tighten emissions standards

Despite the passage of Rule 12-12 nearly 20 years ago, flaring is persistent at the Chevron Richmond facility, and continues to have negative health and environmental impacts. This is in part because the rule leaves multiple key terms up to Chevron's interpretation. For example, Chevron's interpretation of how to "reduce flaring to the extent that is feasible without compromising safety and necessary refinery operations and practices" encourages their understanding of what reductions are "feasible" and what flaring is "necessary" for refinery operations.

However, we are encouraged that there has been recent enthusiasm within BAAQMD and among Richmond residents to revisit and revise BAAQMD's flaring rules, including Rule 12-12. For example, the draft Path to Clean Air Community Emissions Reduction Plan, released in December 2023 commits BAAQMD to initiate a rule development effort to revise its flaring regulations, namely 12-11 and 12-12, by the end of 2024. In addition, the recent Rule 6-5 Settlement Agreement between BAAQMD and Chevron encourages the tightening of flaring regulations. CBE fully supports a revision of flaring rules to tighten emissions standards, and we welcome the improvements in monitoring and reporting that we suspect would come with these revisions.

7. Enhance compliance monitoring, even before flaring rules have been revised

BAAQMD should not wait for the revision of existing flaring rules to step up enhanced compliance monitoring and heavier fines when flaring does occur. We encourage BAAQMD to use the existing tools at their disposal – Notices of Violation, investigations, and fines – to increase Chevron's accountability to the Air District and Richmond residents. Stronger enforcement and penalties imposed by the Air District would serve as a critical deterrent for preventable flaring, as Chevron would have to face consistent, and more serious repercussions for their flaring actions. This is particularly critical for monitoring Chevron's patterns of faulty equipment (e.g., faulty valves, faulty fire alarm pull system) and faulty readings, both of which

¹⁹ See Strategy 2.6 in the Fuel Refining Section in "Path to Clean Air Community Emissions Reduction Plan," December 2023, <a href="https://www.baaqmd.gov/~/media/files/ab617-community-health/richmond/richmond-ptca-cerp-plan/final-draft-plan_december2023_v2-pdf.pdf?rev=18f908c0da024baeadc8a23c7e84a08e, p. 97.

repeatedly appear in the list of flaring events requiring causal analysis. Enhanced compliance measures would contribute to reductions in both the frequency and magnitude of flaring events.

8. Make flaring and FMP data more publicly accessible on the BAAQMD website

CBE appreciates that BAAQMD has made Chevron, and the 4 other Bay Area refineries' flaring data publicly <u>available on their website</u>. This data has great potential to increase public awareness and understanding of flaring events, as well as Chevron's accountability to the public. However, the data's current form – broken down by month and by flare – makes it hard to understand and utilize. We encourage BAAQMD to include more accessible summary graphs for the public, similar to those we have suggested for the 2022 Chevron FMP. One summary graph could show the vent gas flow for each of the flares, with a different colored line for each flare. Another graph could show the total vent gas emissions when combining all flares. Additional charts could include the graphs suggested in Point 1. Flaring is a major and enduring concern for Richmond community members, who are eager to have more information on what actually occurs during flaring events, but may not have the time to download the monthly file for each flare and consolidate the data to see patterns that emerge across the refinery. Better tying the FMP to publicly accessible data would help support public awareness on flaring, and overall accountability of Chevron to BAAQMD and the public.

In conclusion, we urge BAAQMD hold Chevron accountable to the greatest extent possible using Rule 12-12, requiring CBE's suggested updates to the FMP, while simultaneously tightening existing flaring rules and emissions standards, and improving emissions monitoring and reporting. Given the projected and state-driven decarbonization of California's economy, this is particularly critical as oil companies like Chevron begin to see refineries like the Richmond Refinery as stranded assets. This often results in lagging maintenance, greater safety issues and flaring, and it is critical that BAAQMD take proactive efforts to protect Richmond's air quality and the health of its residents. We greatly appreciate you taking the time to read and review this comment letter, and welcome any follow-up questions or comments you may have.

Sincerely,

Martine Johannessen

NorCal Staff Researcher Communities for a Better Environment

Kerry Guerin

Attorney & Just Transition Fellow Communities for a Better Environment

Alfredo Angulo

Just Transition Campaign Manager Communities for a Better Environment

BAAQMD received via email on April 4, 2024

Re: Chevron's 2023 Flare Minimization Plan

Dear BAAQMD,

Here is my take on Chevron's 2023 Flare Minimization Plan (FMP). I am a 70-year-old university student and Richmond resident. My Science class paper alerted me to Chevron's reluctance to address particulate matter despite all the early Asthma deaths that Black children suffer and all the pollution-caused infant mortality among people of color in Richmond.

The March 2024 Chevron/BAAQMD settlement included the **reduction of flaring**. "Indiscriminate flaring" is too vague a term and at no point should "cost effectiveness thresh-hold" even be a consideration when babies are dying.

- 1. The Flare Minimization Plan normalizes Chevron's flaring! Chevron self-reports their own activities to BAAQMD
 - o Reliable independent reports are needed for accuracy.
 - o The 2023 FMP shows Chevron to be in violation of **legally mandated improvements to reduce flaring**.
 - o Chevron is using 2006 cost-effectiveness analyses reports when they have since added Hydrogen production in 2018. BTW, with a 21.4-billion-dollar single year profit, you can afford to pollute less. Aren't all equipment upgrades a business expenses? Since when is it cost effective to inflict Asthma on children?
- 2. BAAQMD flaring **regulations are 20-years old**. Since the 2005 Rule 12-12, flaring continues and has increased since the opening of their new Hydrogen facility in 2018.
 - BAAQMD must rewrite/tighten flaring regulations for the entire Air District, not just Richmond.
 - o Richmond residents have repeatedly called for these revisions, included in the **Path to Clean Air Community Emissions Reduction Plan** (Strategy 2.6 in the Fuel Refining Section)
 - o Require reporting of ALL FLARINGS (not just those above a BAAQMD "threshold" to get the real picture. The Hydrogen facility flares daily.
- 3. The Hydrogen facility flares the most per Chevron's own FMP. Why do they have permission to poison us, their neighbors, without so much as installing a *flare gas recovery system* for the hydrogen plant?
 - The Hydrogen facility accounts for 18 of 23 flaring incidents reported (even without having to report all the flares).

- o The Hydrogen Plant enjoys a BAAQMD's reporting threshold. This hides the fact that flaring is part of Chevron's routine daily operations... unchecked and unmitigated.
 - o Chevron MUST add a flare gas recovery system for the hydrogen plant or at least connect the hydrogen facility to the refinery's EXISTING FLARE GAS RECOVERY SYSTEM.
 - o Chevron's 2018 "modernization plant" is neither "newer, safer, nor cleaner" with so much MORE FLARING, jeopardizing our air quality and our health.
 - 4. All the reported flaring incidents in the 2023 FMP were listed as "non-emergency". That does not make them "unharmful" especially since they occur daily at the Hydrogen facility. Children getting Asthma is an emergency. Children dying of Asthma is an emergency. Infant mortality is an emergency. Community health and safety must be figured into a modern "Cost Effectiveness Report".

Chevron must invest in equipment to protect my community's health, air quality, and the environment. We will not accept sickness and death for the sake of insane profits. BAAQMD must also require that all of Chevron's flares be independently reported. Why has this not occurred?

Because of my life-long learning habits, I am now an active member of my local *Community for a Better Environment (CBE)*. I am now aware that **BAAQMD's existing flaring regulations need to grow teeth.** On Earth Day Sunday, my priest will allow me to present a PowerPoint on the Richmond and Chevron relationship at Christ The Lord Episcopal Church in Pinole. I would like to continue to brag about how our Bay Area Air Quality Management District (BAAQMD) which passed the tightest Air Quality Regulations in the United States, is still saving planet Earth.

Sincerely,

Elsa Chinea Stevens