

REQUEST FOR COMMENTS

August 19, 2016

TO: INTERESTED PARTIES

FROM: EXECUTIVE OFFICER / APCO

SUBJECT: REQUEST FOR COMMENTS - DRAFT PROJECT

DESCRIPTION FOR REGULATION 12, RULE 16: PETROLEUM

REFINING FACILITY-WIDE EMISSIONS LIMITS AND

REGULATION 11, RULE 18: REDUCTION OF RISK FROM AIR

TOXIC EMISSIONS AT EXISTING FACILITIES

The Bay Area Air Quality Management District (Air District) requests public review and comments on the draft Project Description for two new Air District rules currently being developed – Regulation 12, Rule 16: Petroleum Refining Facility-Wide Emission Limits and Regulation 11, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities. The Air District is providing this public comment period as the initial step in conducting environmental review of the two rules under the California Environmental Quality Act (CEQA). Feedback on the draft Project Description will inform the Notice of Preparation (NOP) of an Environmental Impact Report for the two rules. Comments relating to the draft Project Description should be addressed to:

Greg Nudd, Manager Rule Development Section Bay Area Air Quality Management District 375 Beale Street, Suite 600 San Francisco. CA 94105

Comments may also be submitted by e-mail to gnudd@baaqmd.gov. Comments are requested by close of business, Friday, September 9, 2016.

BACKGROUND:

Petroleum refineries are significant sources of harmful pollutants on both the global scale (greenhouse gases) and local scale (toxic air contaminants and criteria pollutants). Many Bay Area residents have expressed concern about the impact of this pollution on the environment and public health. Though refinery emissions have declined over time, it is possible that as refinery operations change in the future, emissions of these pollutants could increase.

In response to these concerns, the Board of Directors of the Air District has directed staff to bring forward two draft rules for the Board's consideration, one that reflects policy recommended by some environmental advocacy organizations, and an approach recommended by Air District staff.

Communities for a Better Environment (CBE) and several associated organizations have recommended that the Air District adopt new Regulation 12, Rule 16: Petroleum Refining Facility-Wide Emissions Limits (Rule 12-16). This rule would set numeric limits on specific refinery emissions. Rule 12-16 would apply to the Bay Area's five petroleum refineries and three facilities associated with the refineries.

The staff of the Air District has developed a different approach that directly addresses concerns about community health risks. The staff recommendation is that the Air District adopt a new

Regulation 11, Rule 18 (Rule 11-18): Reduction of Risk from Air Toxic Emissions at Existing Facilities. Rule 11-18 would apply to all facilities whose emissions of toxic air contaminants may result in a significant risk to nearby residents and workers — this would include petroleum refineries. The purpose of Rule 11-18 is to set caps on risk from toxic air contaminants for those facilities causing the highest health impacts across the Bay Area and to require these facilities to reduce that health risk.

COMMENTS AND FURTHER INFORMATION

Air District staff is releasing the draft Project Description of these draft rules to inform and solicit input from the interested public as the initial step in the CEQA process. Subsequent steps in the CEQA process will include public comment on the Notice of Preparation and public comment on the Draft Environmental Impact Report.

Air District staff welcome comments on any aspect of the draft Project Description. Staff is specifically seeking comments on the description of Rule 12-16 to ensure it properly reflects the intent of its authors and the concerned public. Staff is also seeking clarification regarding the types of emissions that should be included in the annual emissions inventory that is compared against the limits – specifically, whether flaring and emergency release emissions should be included in the annual emissions inventory (as is required under Air District Rule 12-15: Petroleum Refinery Emissions Tracking) and, therefore, counted against the numeric emission limit.

The draft Project Description is available on the Air District website at the following URL: http://www.baaqmd.gov/rules-and-compliance/rule-development/regulatory-workshops. For additional information or to submit comments, please contact Greg Nudd via e-mail at gnudd@baaqmd.gov. Written comments, submitted by U.S. mail or electronic mail are requested by close of business, Friday, September 9, 2016.