



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
STATIONARY SOURCE COMMITTEE MEETING

COMMITTEE MEMBERS

JOHN GIOIA - CHAIRPERSON
TOM BATES
SCOTT HAGGERTY
NATE MILEY
JIM SPERING

JOHN AVALOS - VICE CHAIRPERSON
CAROLE GROOM
ERIC MAR
MARY PIEPHO

MONDAY
MARCH 18, 2013
9:30 A.M.

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

AGENDA

1. **CALL TO ORDER - ROLL CALL**
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 Air District headquarters, 939 Ellis Street, San Francisco, CA, and on the Air District's website www.baaqmd.gov 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 Board's authority. Speakers will be limited to three (3) minutes each.
3. **APPROVAL OF MINUTES OF SEPTEMBER 17, 2012**
4. **STATUS REPORT ON IMPLEMENTATION OF WORK PLAN FOR ACTION ITEMS RELATED TO ACCIDENTAL RELEASES FROM INDUSTRIAL FACILITIES**
J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will provide a status report on Air District's follow up activities in response to the August 6, 2012 Chevron Richmond Refinery Incident.

5. **PROPOSED REGULATION 12, RULE 13: FOUNDRY AND FORGING OPERATIONS AND PROPOSED REGULATION 6, RULE 4: METAL RECYCLING AND SHREDDING OPERATIONS**
H. Hilken/4642
hhilken@baaqmd.gov

The Committee will receive an update on proposed new Regulation 12, Rule 13: Foundry and Forging Operations and proposed Regulation 6, Rule 4: Metal Recycling and Shredding Operations.

6. COMMITTEE MEMBER COMMENTS/OTHER BUSINESS

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, April 15, 2013, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 10:30 a.m.

8. ADJOURNMENT

CONTACT THE CLERK OF THE BOARDS
939 ELLIS STREET SF, CA 94109

(415) 749-5073
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities notification to the Executive Office should be given at least 3 working days prior to the date of the meeting, so that arrangements can be made accordingly.

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 Air District's headquarters 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) 749-4963

EXECUTIVE OFFICE: MONTHLY CALENDAR OF DISTRICT MEETINGS

MARCH 2013

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Advisory Council Regular Meeting <i>(Meets on the 2nd Wednesday of each Month)</i>	Wednesday	13	9:00 a.m.	Board Room
Board of Directors Legislative Committee <i>(Meets at the Call of the Chair)</i>	Thursday	14	9:30 a.m.	4th Floor Conf. Room
Board of Directors Climate Protection Committee <i>(Meets at the Call of the Chair)</i>	Thursday	14	11:00 a.m.	4th Floor Conf. Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month) - CANCELLED</i>	Monday	18	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	18	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Special Meeting as the Sole Member of the Bay Area Clean Air Foundation	Wednesday	20	9:45 a.m.	Board Room
Board of Directors Special Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	Board Room
Board of Directors Public Outreach Committee <i>(At the Call of the Chair)</i>	Thursday	21	9:30 a.m.	4th Floor Conf. Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	27	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	28	9:30 a.m.	4 th Floor Conf. Room

APRIL 2013

<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>	Wednesday	3	9:45 a.m.	Board Room
Advisory Council Regular Meeting <i>(Meets on the 2nd Wednesday of each Month)</i>	Wednesday	10	9:00 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	15	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	15	10:30 a.m.	4 th Floor Conf. 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>	Wednesday	24	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	25	9:30 a.m.	4 th Floor Conf. Room

MAY 2013

<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>	Wednesday	1	9:45 a.m.	Board Room
Advisory Council Regular Meeting <i>(Meets on the 2nd Wednesday of each Month)</i>	Wednesday	8	9:00 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	20	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	20	10:30 a.m.	4 th Floor Conf. Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	22	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	23	9:30 a.m.	4 th Floor Conf. Room

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: March 4, 2013

Re: Approval of the Minutes of September 17, 2012

RECOMMENDED ACTION

Approve attached draft minutes of the Stationary Source Committee meeting of September 17, 2012.

DISCUSSION

Attached for your review and approval are the draft minutes of the Stationary Source Committee meeting on September 17, 2012.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Sean Gallagher
Reviewed by: Ana Sandoval

Attachment

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 17, 2012

1. Call to Order – Roll Call

Committee Chairperson John Avalos called the meeting to order at 9:39 a.m.

Present: Committee Chairperson John Avalos; and Directors Tom Bates, Susan Garner, Scott Haggerty, Eric Mar and James Spring.

Absent: Vice Chairperson Carole Groom; and Directors Nate Miley and Mary Piepho.

Also Present: Board of Directors Chairperson John Gioia.

2. Public Comment Period: None.

3. Approval of Minutes of March 19, 2012

Committee Action: Director Spring made a motion to approve the Minutes of March 19, 2012; Board Chairperson Gioia seconded; and the motion was approved unanimously without objection.

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

Henry Hilken, Director of Planning, Rules & Research, introduced Robert Cave, Senior Air Quality Specialist of Planning, Rules & Research, who gave the staff presentation Proposed Regulation 9, Rule 13: Nitrogen Oxides, Particulate Matter, and Toxic Air Contaminants from Portland Cement Manufacturing, including an overview of the manufacturing process, status of federal rules, elements of the proposed rule, emissions and emissions reductions, control costs, rule development to date, comments and responses, and next steps.

NOTED PRESENT: Director Garner was noted present at 9:47 a.m.

NOTED PRESENT: Director Mar was noted present at 9:50 a.m.

Committee Comments:

Director Garner asked about the specifics of the proposed regulation in regards to the Lehigh facility in Cupertino, which questions were answered by staff.

Public Comments:

Gary Latshaw, Sierra Club, Loma Prieta Chapter, addressed the Committee in support of the proposed regulations and to request stricter standards. Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), said Mr. Latshaw’s input had been heard and considered prior to today’s meeting and the staff proposal contains very stringent standards.

Committee Action: None; informational only.

5. Status Report on the Hunters View Redevelopment Project

Chairperson Avalos made introductory comments regarding the state of the redevelopment site and project.

Mr. Broadbent introduced John Marvin, Acting Director of Compliance & Enforcement, who gave the initial staff presentation Hunters View Redevelopment Project Status Report through slide #6, Inspection and Enforcement, including background, a summary of naturally occurring asbestos (NOA) regulatory requirements, and an overview of inspection and enforcement efforts.

Mr. Marvin added, regarding slide #5, NOA Regulatory Requirements, that the City and County of San Francisco has dust control regulations that apply.

Chairperson Avalos asked about wet sweeping and the enforcement measures taken, which questions were answered by Mr. Marvin.

Lisa Fasano, Director of Communications & Outreach, gave the final staff presentation Hunters View Redevelopment Project Status Report beginning at slide #7, Working with Residents, including a summary of collaborative efforts with residents and the involved agencies and next steps.

Chairperson Avalos asked about complaints from residents regarding reported health issues and the success of weekly meetings with residents, which questions were answered by Ms. Fasano.

Committee Comments: None.

Public Comments:

Jackie Page addressed the Committee regarding the health issues facing residents of the community.

Genese Hughes, Hunters View Mothers Committee, addressed the Committee regarding the need for improved notification of resident meetings and the difficulty of residing within the construction zone.

Joel Byrd, Hunters View Youth in Action, addressed the Committee regarding the unsatisfactory living conditions for residents of the community and to request assistance.

Ed Perkins, Youth in Action Committee, addressed the Committee regarding the health consequences for residents of the community and the seeming inefficacy of the mitigation measures.

Director Haggerty asked staff if the Air District has jurisdiction over indoor air quality, which questions were answered by Mr. Broadbent and Brian Bunger, District Counsel. Director Haggerty suggested that staff develop the needed tools to facilitate public interaction with those agencies that can assist with various issues that arise, which suggestion Chairperson Avalos agreed with.

Sabrina Henneman, Hunter’s View Mothers Committee for Health and Environmental Justice, addressed the Committee regarding the need for stricter abatement measures and to request continued Air District involvement as past assistance seems effective in dealing with other involved agencies.

Chairperson Avalos and Director Haggerty asked staff about the abatement measures currently in place and jurisdictional issues related to the same, which questions were answered by Messrs. Broadbent, Bunger and Marvin.

Director Bates asked staff about the asbestos levels indicated by Air District monitors, which questions were answered by Messrs. Marvin and Broadbent.

Lea Otis Marvin addressed the Committee regarding the inadequacy of current mitigation measures and the appearance of lenient enforcement on the part of the involved agencies.

Sheree Beard, Mothers Against Crime, addressed the Committee regarding the health of minor residents and to suggest that no one cares. Director Haggerty said Ms. Beard’s suggestion is inaccurate.

Vendell White, Mothers Against Crime, addressed the Committee regarding the health of residents and to request assistance.

Mavis Williams, Hunter’s View Mothers Committee for Health and Environmental Justice, addressed the Committee regarding the lack of financial consequences for the Notice of Violation issued and to assist increased enforcement assistance.

Richard Duncan, Hunter’s View Mothers Committee for Health and Environmental Justice, addressed the Committee regarding the health of residents and to explain that residents are repeating themselves because conditions do not appear to change.

Jeremiah Hughes, Youth in Action, addressed the Committee regarding the inefficacy of existing mitigation measures.

Tracey Thompson addressed the Committee regarding the disparity between the conditions experienced by residents and those being reported and the need for further action.

Richard Duncan, Jr., addressed the Committee regarding the health issues he suffers.

Tessie Esther addressed the Committee regarding the health of residents, the inadequacy of current mitigation measures and to allege the treatment is the result of the ethnicity of the residents.

Director Haggerty asked staff about the air monitoring onsite, asbestos levels, the nature of responses to violations, inspection levels and construction company practices relative to the removal of earth, which questions were answered by Messrs. Broadbent and Marvin and Jean Roggenkamp, Deputy APCO.

Director Haggerty and Chairperson Avalos asked for more information relative to where the earth is being removed to, how often it is removed from the site, and comparisons showing wind speed against asbestos counts.

Director Spering emphasized the importance of Air District staff involvement, particularly in guiding people to the proper agencies and in managing public perception.

Director Garner asked about the history of Air District monitoring in the community, which questions were answered by Messrs. Marvin and Broadbent.

Director Mar committed to working with his colleagues at the City and County of San Francisco on this matter, expressed the importance of the involvement of the Housing Authority of San Francisco and that of Air District staff in maintaining good relationships with all involved parties in order to better ensure compliance and maintain the public trust.

Board Chairperson Gioia said the Air District must go beyond what is legally required of it in an effort to serve the public to best of its ability.

Chairperson Avalos made closing remarks and directed staff to report back on progress in a couple of months.

Committee Action: None; informational only.

6. Proposed Amendments to Regulation 2, Rules 1, 2, 4 and 6: New Source Review and Title V Permitting Programs

Alexander Crockett, Assistant Counsel, gave the staff presentation Updates to BAAQMD New Source Review (NSR) and Title V Permitting Programs Amendments to Regulation 2, Rules 1, 2, 4, and 6, including a summary of NSR and Title V Permitting Programs, recent regulatory developments, proposed amendments, the public participation process, and the significant issues raised in public comments.

Director Garner asked, regarding slide #5, Summary of NSR and Title V Permitting Programs (cont'd), whether NSR would come up under California Environmental Quality Act review, which questions were answered by Mr. Crockett.

Mr. Crockett continued the presentation.

Board Chairperson Gioia asked, regarding slide #7, Summary of NSR and Title V Permitting Programs (cont'd), how this would apply to an application for permit renewal for Chevron's Richmond refinery, which questions were answered by Messrs. Crockett, Broadbent and Bunger.

Mr. Crockett continued the presentation.

Chairperson Avalos asked, regarding slide #12, Proposed Amendments: Fine Particulate Matter (PM_{2.5}), if the amendments apply to ultrafine particulate matter as well, which questions were answered by Mr. Crockett.

Mr. Crockett continued the presentation.

Chairperson Avalos asked, regarding slide #17, for an example of a new facility that would be subject to the proposed rule, which question was answered by Mr. Crockett.

Committee Comments: None.

Public Comments:

Mark Strehlow, Air Program Manager, Pacific Gas and Electric Company, addressed the Committee in general support but in opposition to mono-nitrogen oxide protection, which opposition was discussed by staff and the Committee.

Director Spring asked about the meaning of "best available control technology," which questions were answered by Mr. Broadbent.

Director Spring requested information or a presentation detailing the permit processing procedures and the responsibilities of the Air District in that regard.

Committee Action: None; informational only.

7. **Committee Member Comments/Other Business:** None.
8. **Time and Place of Next Meeting:** Monday, November 19, 2012, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California, 94109 at 10:30 a.m.
9. **Adjournment:** The meeting adjourned at 12:32 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/APCO

Date: March 6, 2013

Re: Status Report on Implementation of Work Plan for Action Items Related to
Accidental Releases from Industrial Facilities

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On August 6, 2012, a substantial fire resulted from a hydrocarbon leak at the Crude Unit #4 at the Chevron Richmond Refinery. The fire resulted in a large plume of black smoke at the Crude Unit and continuous visible emissions from a nearby flare. The Contra Costa County Health Department issued a community warning and ordered a shelter-in-place that lasted for approximately five hours in Richmond, San Pablo and North Richmond.

At the September 10, 2012 Special Meeting of the Board of Directors, Air District staff provided a summary of the Air District's response to the August 6, 2012 Chevron Richmond Refinery incident. Staff from Contra Costa County and the U.S. Chemical Safety Board also provided summaries of their agency's response to the incident.

At the October 17, 2012 meeting of the Board of Directors, the Board approved staff's *Work Plan for Action Items Related to Accidental Releases from Industrial Facilities* (Work Plan) that included seven key actions:

1. **Investigation.** Continue the investigation of the Chevron Richmond Refinery incident, in coordination with other agencies involved, into violations of applicable air quality requirements in order to take appropriate enforcement action;
2. **Procedures.** Review and update the Air District's incident response procedures;
3. **Air Quality Monitoring.** Evaluate enhancements to the Air District's air quality monitoring capabilities, including convening experts to provide input on monitoring options;
4. **Rule Development.** Expedite development of a rule that would track air emissions at refineries over time, require preparation of emission reduction plans for emission

increases above trigger levels, and require additional community air monitoring at refineries;

5. **Community Outreach.** Evaluate enhancements to community outreach during and after incidents to provide additional services to the public;
6. **Legislation.** Sponsor legislation that would provide the Air District with the authority to collect more substantial penalties that would provide industry with additional incentives to take proactive measures to avoid accidental releases; and
7. **Resource Needs.** Evaluate the Air District's needed incident response resources, and develop amendments to the Air District's fee regulation to recover the costs of these resources.

At the December 5, 2012 Special Board of Directors meeting, staff provided an update on implementation of the Work Plan.

DISCUSSION

At the March 18 Stationary Source Committee meeting, Air District staff will provide the Committee with an update on implementation of the Work Plan.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Air District staff is developing amendments to Regulation 3: Fees to recover costs associated with the Work Plan.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jean Roggenkamp

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: February 28, 2013

Re: Proposed Regulation 12, Rule 13: Foundry and Forging Operations and Proposed
Regulation 6, Rule 4: Metal Recycling and Shredding Operations

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Control Measure SSM-1 in the 2010 Clean Air Plan considered reductions in fine particulate matter (PM), toxic compounds and odor emissions from metal melting facilities. There are about 20 metal production facilities in the Bay Area that either melt or cast metals (foundries) or heat treat metals (forges). These facilities are sources of emissions of PM (including metals identified as toxic air contaminants) and odorous substances. During the investigation of metal melting facilities, it was determined that there are also three large-scale metal recycling facilities in the Bay Area that are also sources of emissions of PM. While process emissions of both PM and odorous substances are highly regulated and significantly reduced, fugitive emissions of these pollutants remain a significant fraction of the total emissions from these facilities.

Staff has developed two regulatory proposals to address fugitive emissions from metal production and metal recycling facilities: Regulation 12, Rule 13: Foundry and Forging Operations; and Regulation 6, Rule 4: Metal Recycling and Shredding Operations. A public hearing on these proposed rules is scheduled for April 17, 2013.

DISCUSSION

The proposed rules would require these facilities to develop emissions minimization plans that would detail how each facility would reduce fugitive emissions of PM and odorous substances. The plans would focus on operations and activities at the facilities that are the sources of these pollutants. Once drafted, the plans would be released for public review and comment, staff recommendations, and APCO approval; and in the future, periodically updated.

Adoption of these two proposed new rules would reduce fugitive emissions of PM from foundries, forges, and metal recycling including shredding operations; and also reduce emissions of odorous substances from foundry operations. The proposed rules are crafted to promote continuous improvement through periodic updates of the plans and through technology sharing

inherent in the public comment period and Air District staff review and approval of the plans. These proposals avoid duplication of existing rules and standards by focusing on fugitive emissions that are not fully regulated or controlled.

At your committee meeting, staff will provide information on:

- Background on metal production and recycling operations in the Bay Area;
- Overview of the current regulatory proposals;
- Rulemaking process and brief summary of public comments on the proposal; and
- Next steps in the regulatory process.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Victor Douglas
Reviewed by: Henry Hilken