Public Hearing to Consider Adoption of Proposed Amendments to Refinery Rules Definitions

Board of Directors Meeting
November 3, 2021

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Presentation Outcome

• Understand the potential regulatory impacts of refineries transitioning to alternative “non-petroleum” feedstocks.

• Be informed about the current rule making effort regarding refining operations.

• Recommend adoption of proposed amendments to the various Refinery Rules to the Board of Directors.
Presentation Outline

• Background and timeline for renewable fuels transitions
• Description of issue
• Proposed Rule amendments
• Rule development timeline
• Expected impacts
• Recommendations
Presentation Requested Action

• Consider adoption of the proposed amendments to the various Refinery Rules.
• Bay Area is second largest refining center on West Coast.
• 2 of the 5 Bay Area refineries slated to transition to non-petroleum feedstocks by 2024.
• What are these alternative feedstocks?
• How does this transition affect emissions and regulatory applicability?
Issue and Goals

• Prevent regulatory back-sliding.
• Ensure status quo is maintained.
Proposed Rule Amendments

• 4 Main Proposed Amendments
  • “Petroleum Refinery”
  • “Gasoline”
  • “Liquid petroleum gas” (LPG)
  • Manual of Procedures
Proposed Rule Amendments (cont.)

- “Petroleum Refinery” amended to “Refinery”
  - Adds “alternative feedstock” language
  - Removes “petroleum” references where necessary

- “Gasoline” amended
  - Removes “petroleum” from definition
  - Amends “Any petroleum distillate…” to “Any distillate…”
Proposed Rule Amendments (cont.)

• “Liquefied Petroleum Gas” amended to “Liquefied Gas”
  • Removes “petroleum” from definition
  • Adds additional language to include liquefied gas produced “from non-petroleum materials.”

• Manual of Procedures – 600 Section
  • Adds additional language to include flexibility when determining test methodologies.
  • “…or any other method approved by the APCO.”
### Proposed Rule Amendments (cont.)

**21 Rules affected by proposed amendments**

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Rule</th>
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<tbody>
<tr>
<td>Reg. 3: Fees</td>
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<td>Reg. 6: Particulate Matter</td>
<td>6-5</td>
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<tr>
<td>Reg. 8: Organic Compounds</td>
<td>8-1, 8-5, 8-6, 8-7, 8-8, 8-9, 8-10, 8-18, 8-28, 8-33, 8-39, 8-44, 8-53</td>
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<tr>
<td>Reg. 9: Inorganic Compounds</td>
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<td>Reg. 11: Hazardous Pollutants</td>
<td>11-10</td>
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<tr>
<td>Reg. 12: Misc. Standards of Performance</td>
<td>12-11, 12-12, 12-15</td>
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**Total Rules Amended - 21**
• Spring 2021 - Air District staff began drafting amendments to rules affecting “petroleum” refining operations.

• July 19, 2021 - Stationary Source and Climate Impacts Committee presentation.

• September 13, 2021 – Air District met with Western States Petroleum Association to discuss proposed rule changes.
Rule Development Process (cont.)

- September 20, 2021 - Air District released the proposed amendments and Staff Report for the various Refinery Rules in Regulations 3, 6, 8, 9, 11, and 12.

- October 14, 2021 – Public comment period ended.

- October 20, 2021 - Air District released the updated Hearing Package for Refinery Rule amendments.
No Expected Impacts

- No emissions impacts
- No economic or socioeconomic impacts
- No changes in regulatory impacts
- No negative environmental impacts
Final Recommendations

• Recommend adoption of proposed amendments to the various Refinery Rules.
Questions

• Chris Crowley – Principal Air Quality Specialist
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• Art Valla – Principal Air Quality Engineer
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Assembly Bill (AB) 617
Community Emissions Reduction Plan Recommendation for East Oakland

Board of Directors Meeting
November 3, 2021

Veronica Eady, Sr. Deputy Executive Officer of Equity & Policy
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Board will hear recommendation and community feedback on the proposed selection of East Oakland for a community emissions reduction plan.
Presentation Outline

- Background
- East Oakland Selection Recommendation
- Community Workshop
- Next Steps
Requested Action

Approve recommendation to California Air Resources Board (CARB) to select East Oakland for a community emissions reduction plan.
Background: Selection Process

- Needs to follow state’s process as outlined in CARB’s Blueprint
- Community selection stems from Air District “high priority recommendations” submitted to CARB in 2018
- Community-readiness is a significant driver for recommendation
Recommendation: East Oakland

- Community has advocated for selection each year
- High levels of air pollution, health burdens
- Low-income, community of color, history of environmental injustice
- Decades of building community capacity, leadership development
- Existing inter-neighborhood coalition and collaboration

Source: The BlackHour.com, CC By 2.0
Preliminary East Oakland Boundary

- Includes census tracts that are in top 30% of pollution burden statewide (CalEnviroScreen 4.0)
- Reflects East Oakland Neighborhood Initiative area
- Aligns with City’s East Oakland planning areas and County’s Public Health regions
East Oakland Air Pollution

• Much of East Oakland experiences high levels of pollution
• Major goods movement and transportation corridor
• Large areas adjacent to industry and truck magnet businesses
Sources of Air Pollution

- **Stationary sources:**
  AB&I Foundry, concrete manufacturing, food processing

- **Mobile sources:**
  Freeways, airport, rail and truck routes, ships

- **Area sources:**
  Residential fuel combustion, commercial cooking
Disparate Health Outcomes

• Lower life expectancy, especially for Black East Oaklanders

• Black East Oaklanders experience higher rates of mortality from lung cancer, heart disease, and stroke than Oakland and Alameda County residents.
Community Workshop Highlights

August 12, 2021, Community Workshop

- 50 community member attendees
- 1 presentation on East Oakland nomination recommendation
- 8-member community panel
Community Feedback

East Oakland Selection

- Support from leaders across AB 617 communities
- Co-develop process with community
- Lift up voices of local community members and youth
- Provide adequate financial resources for capacity building and leadership development
- Leverage other processes, e.g., SB 1000 (EJ Elements)
Selection Timeline

- **AUG**: Community Meeting on Program and Nomination Recommendation
- **SEP**: Air District Committee/Public Comment on Nomination Recommendation
- **OCT**: Prepare Recommendation Packet
- **NOV**: Air District Board Approval
- **FEB**: CARB Considers Nomination
Guest Speakers

Communities for a Better Environment
The Board of Directors is requested to act on the following:

Approve recommendation to CARB to select East Oakland for a community emissions reduction plan.