



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 3

Draft Amendments to Rules 2-1 and 2-5

**Stationary Source and Climate Impacts
Committee Meeting**

September 27, 2021

**Jacob Finkle
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Presentation Outcome



- Provide information and updates on the development of draft amendments to two rules within the Permitting Regulation to make it more health protective.
- Receive feedback from committee members on the presented concepts and direction.

Presentation Outline



- Background
- Public Feedback Received
- Proposed Amendments
- Tentative Timeline

Presentation Requested Action



- None; informational item

Background

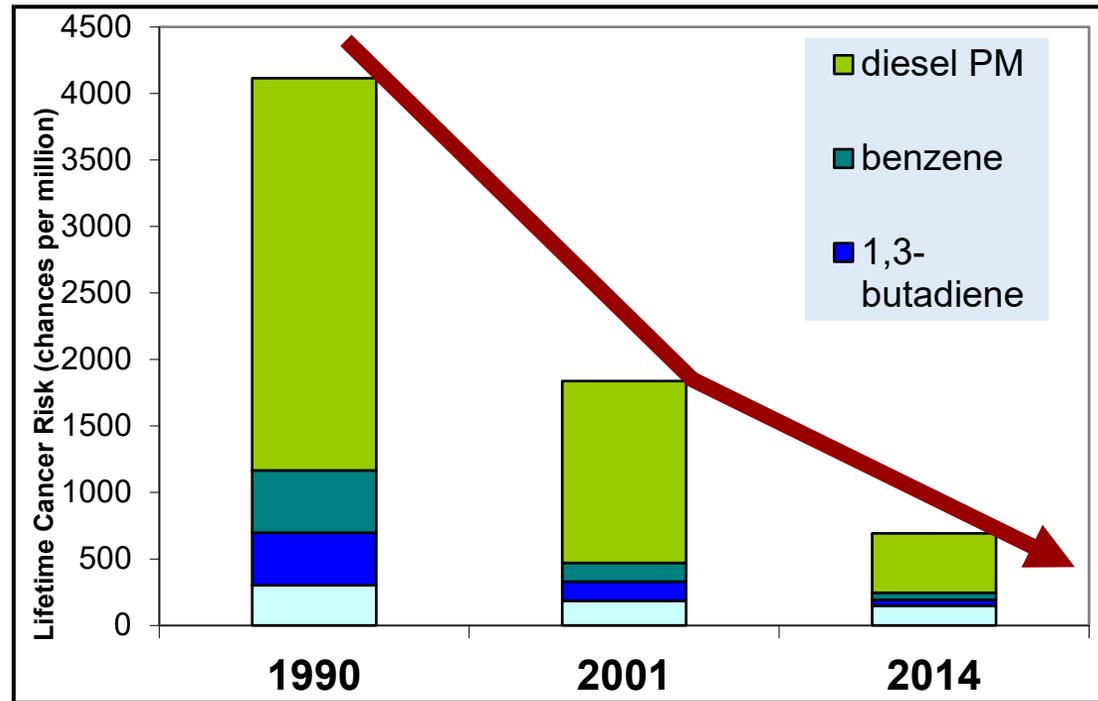


- Air District committed to evaluate its permitting process to address air pollution in areas overburdened by environmental, health stressors.
- Staff met internally and with community advocacy organizations to develop potential concepts and hear recommendations on how to further protect public health.
- Staff presented potential concepts to amend the Permitting Regulation on May 12, 2021, to receive public feedback.
- Staff presented draft amendments to Rules 2-1 and 2-5 on August 24, 2021.

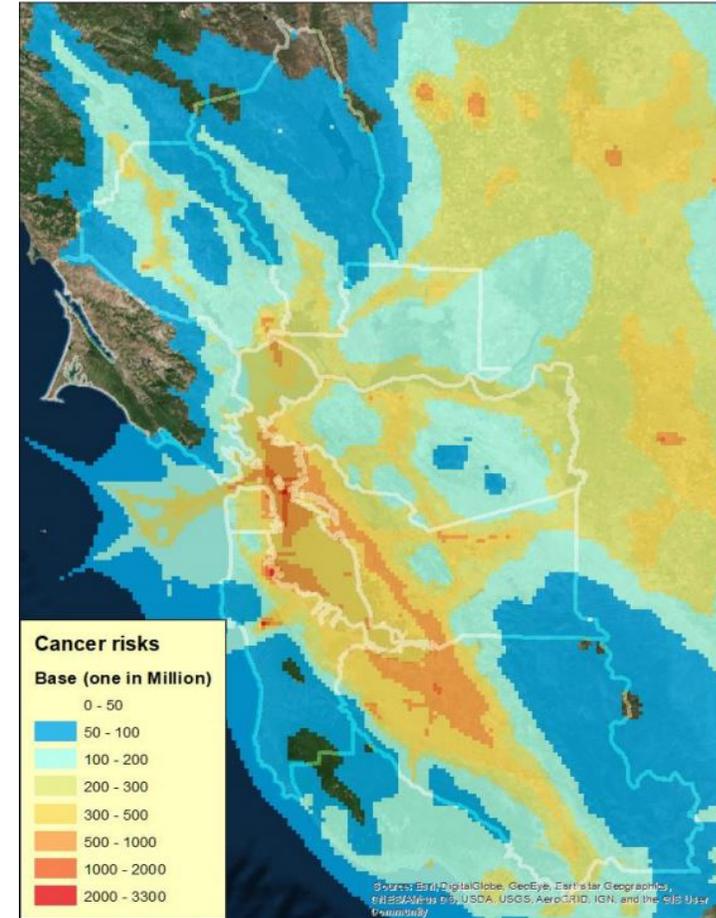
Background: Exposure



- Air quality improving overall, but air pollution exposure varies at the local level.



Bay Area Cancer Risk Historical Trends

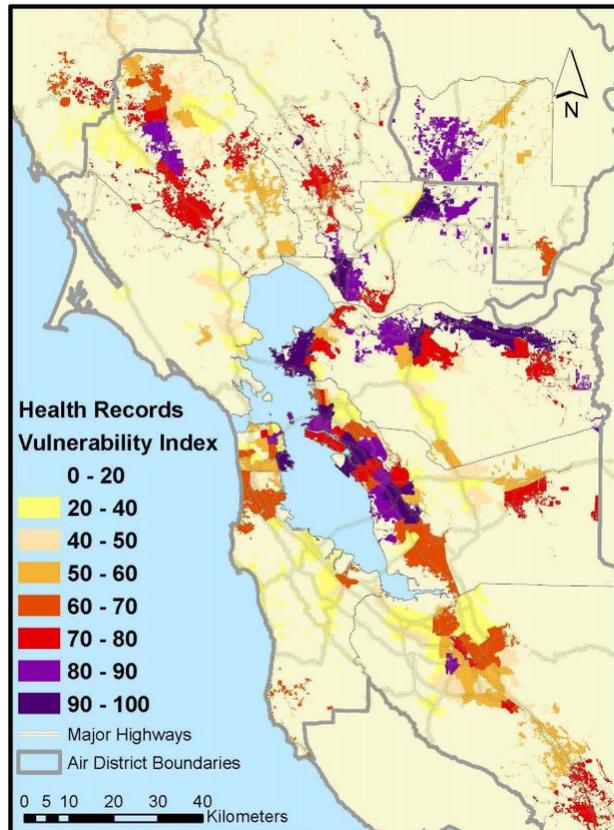


Cancer Risk, 2016

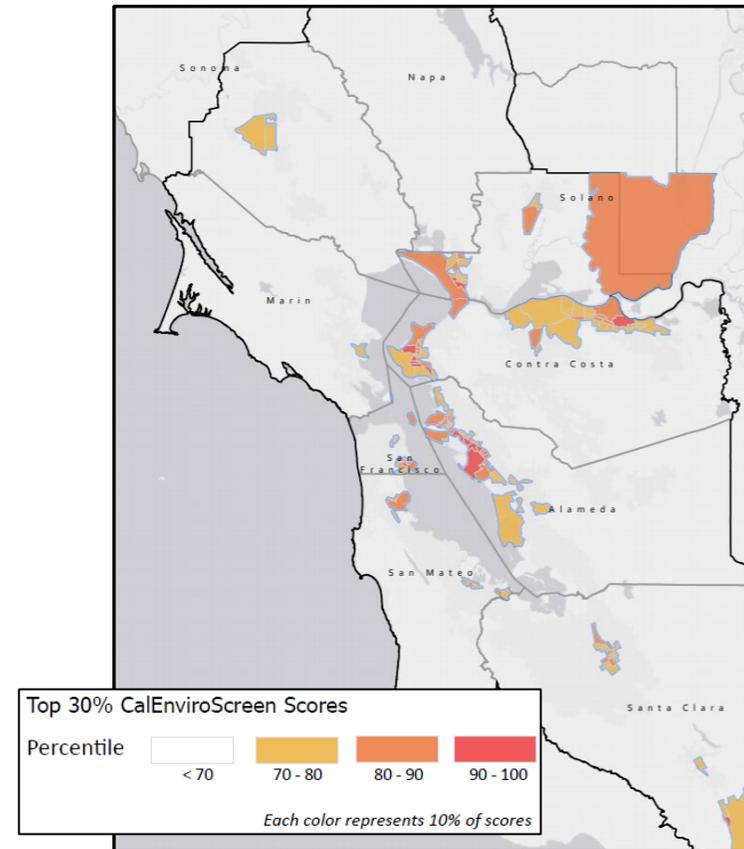
Background: Vulnerability



- Areas with poor air quality also tend to have higher community health vulnerability.



Bay Area CARE Health Vulnerability Index, 2018



DRAFT CalEnviroScreen 4.0 (2021)

August Workshop Comments



DRAFT AMENDMENT WORKSHOP COMMENT THEMES

Concerns over:

Application Review Timeline

Back-Up Generators

CalEnviroScreen Applicability

Cancer Risk Limit Stringency

Cleaner Equipment

Data Center Operations

Electric Grid Resiliency

Enhanced Notification

Essential Services Definition

Health Risk Assessment

Public Health Implications

Socioeconomic Impacts

Rule 2-1 Proposed Amendments



Regulation 2, Rule 1: General Requirements (Rule 2-1)

- ① Overburdened Community Definition: census tract $\geq 70^{\text{th}}$ percentile CalEnviroScreen Version 4.0 or within 1,000 feet of any such tract
- ② Enhanced notification for projects within Overburdened Communities

Rule 2-1 Proposed Amendments (cont.)



Regulation 2, Rule 1: General Requirements (Rule 2-1)

3

August Workshop Proposal

Extend Permit Application review from **35** days to **45** days

HEARING PACKAGE PROPOSAL

Revise time periods for the Air District to determine an *initial application is complete*:

- **30 days** for most applications, and
- **60 days** for complex applications

Revise *review time periods* to be consistent with other air districts:

- **90 days** for most routine applications, and
- **180 days** for more complex or non-routine applications

Rule 2-5 Proposed Amendments



Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants (Rule 2-5)

① **New & Revised** Exemptions for Boiler, Engine and Turbine Projects

HEARING PACKAGE
PROPOSAL

No change to 2-5-111, Limited Exemption, Emergency Standby Engines

② Extend lookback period in the project definition from **3**→**5** years

Essential Public Service **defined** to mean

- ### ③
- A police or fire fighting facility
 - A hospital or other medical emergency facility; or
 - A building designated as an emergency shelter location

Rule 2-5 Proposed Amendments (cont.)



Regulation 2, Rule 5: New Source Review of Toxic Air Contaminants (Rule 2-5)

- ④ More stringent **cancer risk limit** of 6 in one million in Overburdened Communities
- ⑤ Updates to **Table 2-5-1**: new and revised HEV adopted by OEHHA, draft acute trigger levels for consistency with Rule 11-18
- ⑥ Other housekeeping and clean up of redundant rule language

Gasoline Dispensing Facilities



2015

Update Air District HRA Guidelines to reflect use of 2015 OEHHA HRA Guidelines for gas stations

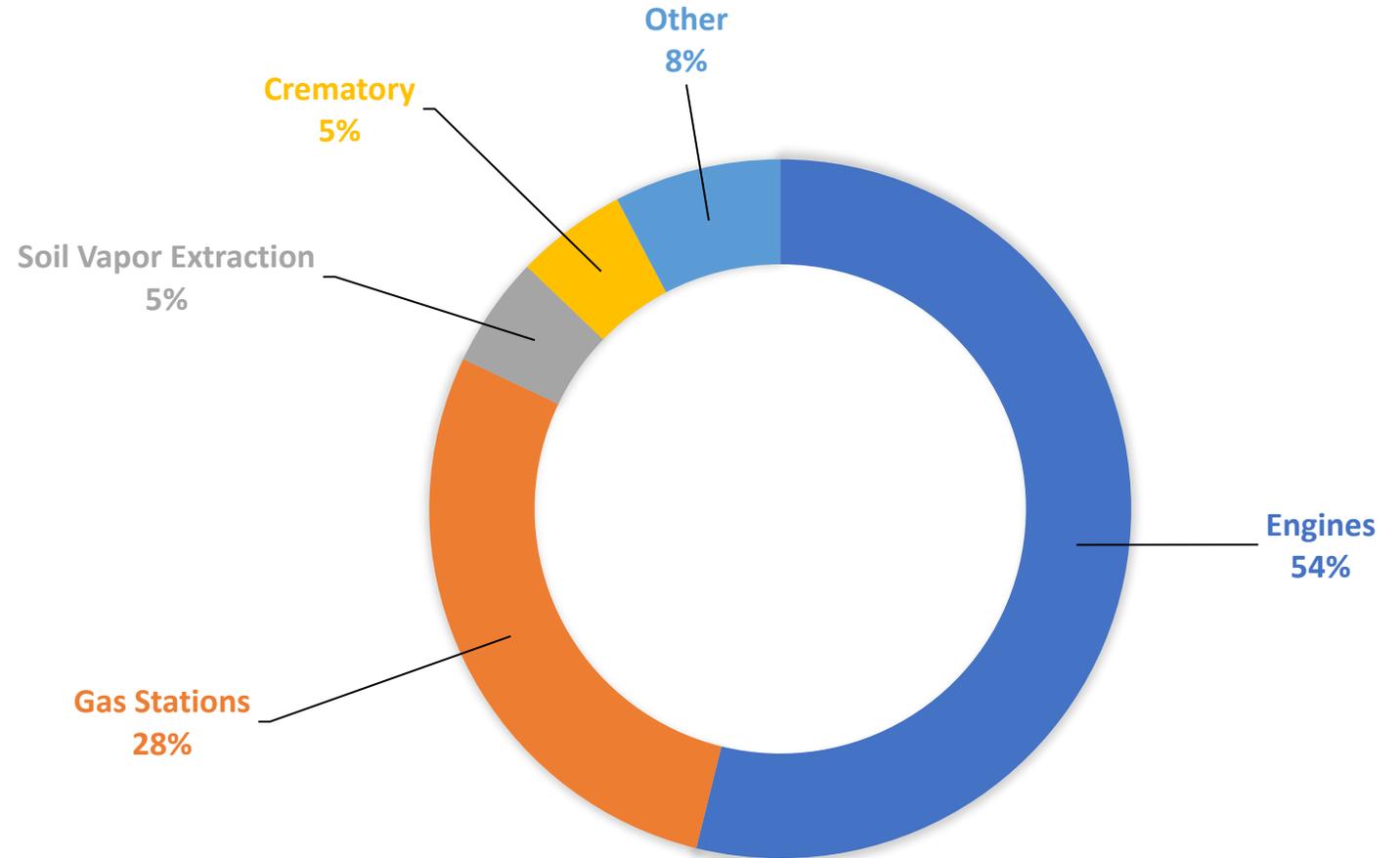
Rule 2-5: Potentially Impacted Projects



Percentage of Cancer Risk Assessments by Project Type

Projects with Cancer Risk of **6-10** in One Million in Overburdened Communities

February 2017 - February 2021



Rule 2-5: Potentially Impacted Projects (per year)



Overburdened Communities



Diesel Engines



Gas Stations

+5

+3

Outside Overburdened Communities



Gas Stations

+6

Tentative Timeline



Feedback Requested/Prompt



- Questions and comments?



BAY AREA
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AGENDA: 4

Revised Draft Regulation 13: Climate Pollutants, Rule 5: Petroleum Refinery Hydrogen Plants

**Stationary Source and Climate Impacts
Committee Meeting
September 27, 2021**

**Victor Douglas
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Presentation Outcome



- Provide information and updates on the development of Draft Regulation 13: Climate Pollutants, Rule 5: Petroleum Refinery Hydrogen Plants.
- Receive feedback from committee members on the revised Draft Rule and anticipated timeline.

Presentation Outline



- Background
- Rule Development Milestones
- June 2021 Revisions to Draft Rule
- Comments Summary
- Ongoing Outreach with Stakeholders
- Next Steps

Presentation Requested Action



- None; informational item

Background



- **Climate Protection Goals:**
 - Reduce GHG emissions to 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050.
- **Methane:**
 - Potent and short-lived climate pollutant
 - Global warming potential:
 - 25 times that of carbon dioxide on a 100-year time horizon
 - 86 times that of carbon dioxide on a 20-year time horizon
- **Draft Rule 13-5, Petroleum Refinery Hydrogen Plants:**
 - Would limit vented emissions of total organic compounds (including methane)
 - From hydrogen production, hydrogen carrying systems, and hydrogen end users such as process units at petroleum refineries.

Rule Development Milestones



- December 2019 – Preliminary Staff Report and draft regulatory language published for public comment
- January 2020 – Public Workshop at Air District Headquarters in San Francisco
- September 2020 – Request for comments on revised preliminary Staff Report and revised draft rule
- June 2021 – Request for Comments on revised draft rule and Notice of Preparation and Initial Study for Draft Environmental Impact Report
- July 2021 – California Environmental Quality Act Scoping Meeting and tentative Refinery Technical Working Group Meeting

June 2021 Revisions to Draft Rule



- Exemptions for Deaerator and Carbon Dioxide Scrubbing Vents
- Existing and New Hydrogen Plants now subject to the same emissions standards
- New standard to prevent commingling and dilution as a means of meeting emissions standards
- Reporting requirements minimized and record retention enhanced
- Monitoring and testing methods clarified

Evaluation of Alternative Compliance Options



Staff Evaluating:

- Environmental Impacts of Flaring
- Major sources of emissions at affected hydrogen plants
- Alternative methods of compliance, i.e.,
 - Routing emissions to existing flares
 - Routing emissions to fuel gas systems
 - Venting minimization

Timeline

- Alternative Compliance Evaluation: 4-6 weeks
- Board Hearing: February 2022

Comment Summary and Outreach



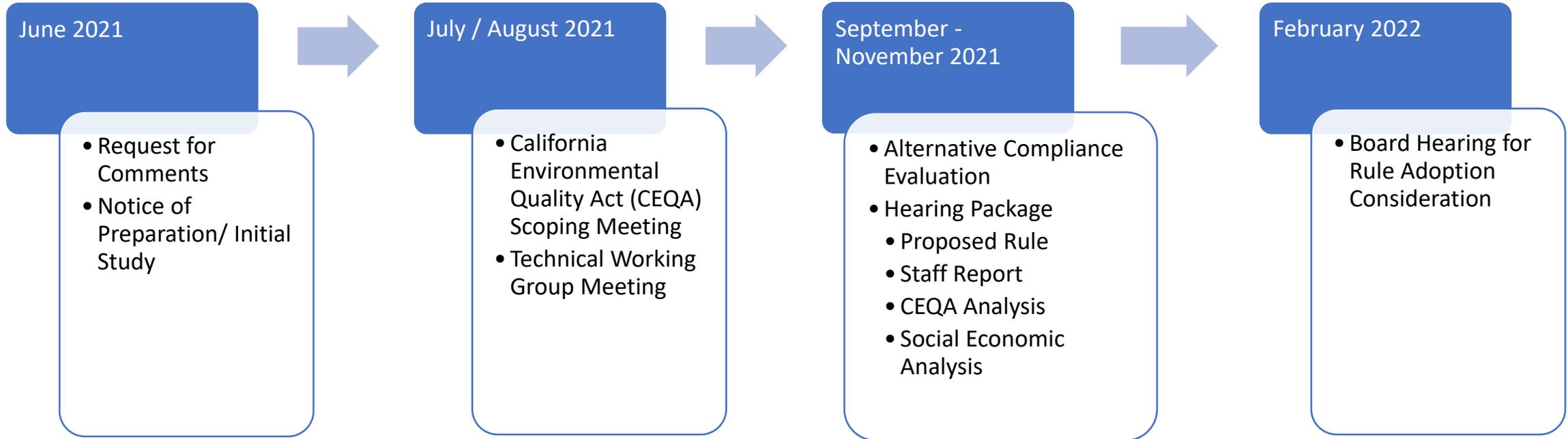
Topics of Comments

- Definitions
- Monitoring
- Emissions Estimates
- Flaring
- Aesthetics
- Compliance Deadlines
- Exemptions
- Reporting and Recordkeeping
- Alternative Compliance Options
- Impacts to Wildlife

Meetings

- Chevron
- Valero
- PBF
- WSPA

Tentative Timeline



Feedback Requested/Prompt



- Questions and comments?