



BOARD OF DIRECTORS
Stationary Source Committee
June 10, 2026

COMMITTEE MEMBERS

KEN CARLSON – CHAIR
DIONNE ADAMS
LYNDA HOPKINS
OTTO LEE
RAY MUELLER
STEVE YOUNG

JOHN GIOIA – VICE CHAIR
DAVID HAUBERT
TYRONE JUE
RICO MEDINA
GABE QUINTO

**MEETING LOCATION(S) FOR IN-PERSON ATTENDANCE BY
COMMITTEE MEMBERS AND MEMBERS OF THE PUBLIC**

**Bay Area Metro Center
1st Floor Yerba Buena
375 Beale Street
San Francisco, CA 94105**

**Office of Contra Costa County
Supervisor John Gioia
Conference Room
11780 San Pablo Ave., Suite D
El Cerrito, CA 94530**

**Office of Santa Clara County
70 W. Hedding St
1st Floor Conference Room
San Jose, CA 95110**

**Pittsburg City Hall
65 Civic Ave., Room, 301A
Pittsburg, CA 94565**

**City of San Bruno
567 El Camino Real, Room 138
San Bruno, CA 94066**

**San Mateo County
Board of Supervisors' Office
5th Floor
500 County Center
Redwood City, CA 94063**

THE FOLLOWING STREAMING OPTIONS WILL ALSO BE PROVIDED

These streaming options are provided for convenience only. In the event that streaming connections malfunction for any reason, the Stationary Source Committee reserves the right to conduct the meeting without remote webcast and/or Zoom access.

The public may observe this meeting through the webcast by clicking the link available on the air district's agenda webpage at <https://www.baaqmd.gov/bodagendas>

**Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/81807682930> or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is:
818 0768 2930**

PUBLIC COMMENT ON AGENDA ITEMS

The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Committee on that agenda item, unless a different time limit is established by the Chair. No speaker who has already spoken on an item will be entitled to speak to that item again.

Written public comments can be emailed to comments@baaqmd.gov or through the Air District's website via the "Submit a Comment" feature for this meeting. Written public comments emailed by 10:00 a.m. on the business day prior to this meeting will be provided to the Committee members in advance of the meeting. Written public comments emailed after that deadline will be provided to the Committee members following the meeting's adjournment. Unless directed by the Chair, written public comments will not be read aloud during the meeting.

The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the Air District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The Air District is committed to maintaining a workplace free of unlawful harassment and is mindful that Air District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is *per se* disruptive to a meeting and will not be tolerated.

STATIONARY SOURCE COMMITTEE MEETING AGENDA

WEDNESDAY, JUNE 10, 2026

10:00 AM

Chairperson, Ken Carlson

1. **Call to Order - Roll Call**

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

2. **Pledge of Allegiance**

CONSENT CALENDAR (Item 3)

The Consent Calendar consists of routine items that may be approved together as a group by one action of the Committee. Any Committee member or member of the public may request that an item be removed and considered separately.

3. **Approval of the Draft Minutes of the Stationary Source Committee Meeting of April 8, 2026**

The Committee will consider approving the Draft Minutes of the Stationary Source Committee Meeting of April 8, 2026.

INFORMATIONAL ITEM(S)

4. **Warehouse Indirect Source Rule: Overview, Concept Paper, and Next Steps**

The Committee will discuss a potential warehouse indirect source rule, including the current regulatory context and the policy options outlined in a concept paper released in April. Air District staff will also describe stakeholder engagement and public workshop efforts following the release of the concept paper. This item will be presented by Christopher Easter, Senior Air Quality Specialist in the Regulatory Development Division.

5. Mid-Year Review of the 2026-2027 Regulatory Agenda

The Committee will discuss an overview of 2026 rule development efforts currently being undertaken, those queued for development, and potential rule development projects to be considered for the five-year plan. This item will be presented by David Joe, Manager in the Regulatory Development Division.

OTHER BUSINESS

6. Public Comment on Non-Agenda Matters

Pursuant to Government Code Section 54954.3, members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Committee. Members of the public will have two minutes each to address the Committee, unless a different time limit is established by the Chair. The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the Air District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The Air District is committed to maintaining a workplace free of unlawful harassment and is mindful that Air District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is per se disruptive to a meeting and will not be tolerated.

7. Committee Member Comments

Any member of the Committee, or its staff, on their own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on their 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)

8. Time and Place of Next Meeting

Wednesday, July 8, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Stationary Source Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

9. Adjournment

The Committee meeting shall be adjourned by the Chair.

CONTACT:
MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
Air District homepage:
www.baaqmd.gov

- 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 less than 72 hours before the meeting shall be made available at the Air District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Kimberly Leefatt, Civil Rights Officer at 415-749-4610 or by email at non-discriminationcoordinator@baaqmd.gov.

**BAY AREA AIR DISTRICT
375 BEALE STREET, SAN FRANCISCO, CA 94105
FOR QUESTIONS PLEASE CALL (415) 749-4941**

**EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

JUNE 2026

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Stationary Source Committee	Wednesday	10	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee -CANCELLED	Wednesday	10	1:00 p.m.	1 st Floor, Yerba Buena Room
Advisory Council Meeting	Monday	15	9:00 a.m.	1 st Floor Board Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	17	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	17	1:00 p.m.	1 st Floor Board Room

JULY 2026

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	1	10:00 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	8	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	8	1:00 p.m.	1 st Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	15	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	15	1:00 p.m.	1 st Floor Board Room
Community Advisory Council Meeting	Thursday	16	6:00 pm.	1 st Floor, Yerba Buena Room

6/4/26 – 11:22 a.m. SR

G/Board/Executive Office/Moncal

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Ken Carlson and Members
of the Stationary Source Committee

From: Philip M. Fine
Executive Officer/APCO

Date: June 10, 2026

Re: Approval of the Draft Minutes of the Stationary Source Committee Meeting of
April 8, 2026

RECOMMENDED ACTION

Approve the Draft Minutes of the Stationary Source Committee Meeting of April 8, 2026.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Stationary Source Committee Meeting of April 8, 2026.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

1. Draft Minutes of the Stationary Source Committee Meeting of April 8, 2026

Bay Area Air District
375 Beale Steet, Suite 600
San Francisco, CA 94105

Stationary Source Committee Meeting
Wednesday, April 8, 2026

DRAFT MINUTES

This meeting was webcast, and a video recording is available on the website of the Bay Area Air District at www.baaqmd.gov/bodagendas

CALL TO ORDER

1. **Opening Comments:** Stationary Source Committee (Committee) Chairperson, Ken Carlson, called the meeting to order at 10:00 a.m.

Roll Call:

Present, In-Person (Bay Area Metro Center, 1st Floor Yerba Buena Room, 375 Beale Street, San Francisco, CA 94105): Chairperson Ken Carlson; and Director Tyrone Jue.

Present, In-Person Satellite Location: (Office of Contra Costa County Supervisor John Gioia Conference Room 11780 San Pablo Ave., Suite D El Cerrito, CA 94530): Directors Gabe Quinto and Steve Young.

Present, In-Person Satellite Location: (San Mateo County Board of Supervisors' Office, 5th Floor, 500 County Center, Redwood City, CA 94063): Directors Rico Medina and Ray Mueller.

Present, In-Person Satellite Location: (Santa Rosa Junior College Campus, Doyle Library, Room 148, 1501 Mendocino Ave., Santa Rosa, CA 95401): Director Lynda Hopkins.

Present, In-Person Satellite Location: (Best Western Plus Hacienda Hotel Old Town, Prado Room, 4041 Harney Street, San Diego, CA 92110): Vice Chairperson John Gioia.

Present, In-Person Satellite Location: (Office of Alameda County Supervisor David Haubert, Scott Haggerty House, 4501, Pleasanton Avenue, Pleasanton, CA 94566): Director David Haubert.

Absent: Directors Dionne Adams and Otto Lee.

2. **PLEDGE OF ALLEGIANCE**

CONSENT CALENDAR

3. APPROVAL OF THE DRAFT MINUTES OF THE STATIONARY SOURCE COMMITTEE MEETING OF FEBRUARY 11, 2026

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Jue made a motion, seconded by Director Haubert, to **approve** the Draft Minutes of the Stationary Source Committee meeting of February 11, 2026; and the motion **carried** by the following vote of the Committee:

- AYES: Carlson, Gioia, Haubert, Jue, Medina, Mueller, Quinto, Young.
- NOES:None.
- ABSTAIN: None.
- ABSENT: Adams, Hopkins, Lee.

INFORMATIONAL ITEMS

NOTED PRESENT: Director Hopkins was noted present at 10:03 a.m.

4. CHANGE APPROACH TO AIR QUALITY MANAGEMENT: NEW CLEAN AIR PLAN

Dr. Philip M. Fine, Executive Officer, and Alesia Lau, Principal Environmental Planner, gave the staff presentation *Change Approach to Air Quality Management: New Clean Air Plan*, including: abbreviations; what is a Clean Air Plan; traditional State Implementation Plan (SIP); SIP versus Community Emissions Reduction Plan (CERP); new approach to regional clean air planning; 2017 Clean Air Plan; Air District Strategic Plan commitment – new Clean Air Plan; overview of the new Clean Air Plan; current air quality (ambient monitoring): air quality summary, annual average Particulate Matter (PM)_{2.5} trends, disparities in annual average PM_{2.5}, 8-hour ozone trends, and annual average benzene trends; regional emissions overview (emissions overview): regional emissions summary, regional emission sources of PM_{2.5}, regional emission sources of NO_x (nitrogen oxides), and regional emission source of reactive organic gases; toxic air contaminants (TAC) overview: TACs, characterizing exposure to TACs, and localized benzene impacts; federal PM planning: status of the Primary Annual PM_{2.5} National Ambient Air Quality Standards (NAAQS), Federal Administration actions; and new Clean Air Plan next steps and milestones.

Public Comments

Public comments were given by Kevin Buchan, Western States Petroleum Association (WSPA); and Kathy Kerridge, Benicia resident.

Committee Comments

The Committee and Air District staff discussed how to reduce measured concentrations (PM_{2.5} and NO_x) with limited control over contributing factors; whether the Air District has modeled localized impacts for the four designated Bay Area Assembly Bill (AB) 617 communities; a Board member's desire for the banning of residential wood burning, and other Board members' concerns for their constituents who live on unreliable grids and may need to burn wood during emergencies; individual site trends within the annual average PM_{2.5} trends chart; potential repercussions, if the Air District enforces standards that exceed federal or state standards; whether the highest design values within the annual average PM_{2.5} trends chart are due to an absence of wildfires; mobile off-road sources (ships) activity, as a source of NO_x, and whether docked ships emit more emissions than moving ships; the importance of analyzing local impacts of PM_{2.5}, besides regional impacts; the desire for the Air District to engage in maritime emissions regulation and work with impacted ships and manufacturers, even though mobile sources are outside of the Air District's authority; current localized monitoring technology and how it will be improved; long-term attainment goal next steps; and whether the Air District may set its own attainment levels, beyond federal requirements and standards.

Committee Action

No action taken.

5. OVERVIEW OF REFINERY FLARING, FLARING MINIMIZATION EFFORTS AND THE DEVELOPMENT OF "FLARING 101"

Katie Gong, Senior Air Quality Engineer, gave the staff presentation *Overview of Refinery Flaring, Flaring Minimization Efforts and the Development of "Flaring 101"*, including: abbreviations; outline; what is a flare system; when does flaring occur; flare types; visual cues of properly operated non-hydrogen flare; current rule requirements; other regulations; Bay Area flaring trends; impetus of rule development efforts; current status of rule development efforts; Refinery Technical Working Group (RTWG); Flaring 101: what is Flaring 101, and next steps; potential rule amendment concepts: goals for potential amendment concepts, Goal #1 - Flare Minimization Plans (FMPs) and Reporting and Monitoring Requirements, 1.1. Strengthen FMP Updates, 1.2. Standardize Reporting Requirements, 1.3. Expand Definitions and Categories for Reporting Causes of Flaring, 1.4. Strengthen Monitoring and Reporting Requirements, Goal #2 - Reduce Flaring Emissions and Frequency, 2.1. Incorporate Key Requirements from United States Environmental Protection Agency (US EPA) Refinery Sector Rule for Flares, 2.2. Establish New Annual Flare Limits, 2.3. Require Mitigation Measures for Violations, 2.4. Require Submittal of Causal Reports based on Additional Triggers, and 2.5. Require Third-Party Audits for Facilities; and Concept Paper next steps.

Public Comments

Public comments were given by Morgan Zellers, Phillips 66; Kevin Buchan, WSPA; Kaitlin Alcontin, Communities for a Better Environment; Todd Osterberg, Chevron; and Brandon Sutter, Chevron.

Committee Comments

The Committee and Air District staff discussed concerns about planned flaring events, and the desire for notification well beforehand; how utility power outages may affect flaring events; whether petroleum refineries are investing in backup power systems for emergencies; how often flaring events occur at refineries; how often the RTWG meets and the desire for that body to discuss flaring at every meeting; the desire that the Board would have more collaborative relationships with the refineries about flaring; concerns about putting controls on safety-related flaring events; how often flaring events are beyond the refineries’ control; the suggestion of implementing a fast-track process for permitting backup generators during power outages; the difference between mitigation fees and enforcement fees; what emissions are released during flaring events; third party audits; the suggestion of analyzing planned flaring events, versus emergency flaring events, to see how both type of events can be/have been reduced; concerns about mitigation fees, training costs, and data acquisition costs; and health and emotional impacts on the public from flaring events.

Committee Action

No action taken.

OTHER BUSINESS

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

7. COMMITTEE MEMBER COMMENTS

None.

8. TIME AND PLACE OF NEXT MEETING

Wednesday, May 13, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Stationary Source Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

9. ADJOURNMENT

The meeting was adjourned at 12:42 p.m.

Marcy Hiratzka
Clerk of the Board

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Ken Carlson and Members
of the Stationary Source Committee

From: Philip M. Fine
Executive Officer/APCO

Date: June 10, 2026

Re: Warehouse Indirect Source Rule: Overview, Concept Paper, and Next Steps

RECOMMENDED ACTION

None; the Committee will discuss this item, but no action is requested at this time.

BACKGROUND

Air District staff will provide an update on a potential warehouse Indirect Source Rule (ISR). The presentation will review the regulatory landscape for warehouses as indirect sources, summarize regulatory concepts that staff presented in a recently published concept paper titled *Exploring an Indirect Source Rule for Warehouses in the Bay Area*, and describe planned stakeholder engagement efforts.

Emissions from indirect sources, particularly warehousing and goods movement operations, create localized air quality impacts that have raised concerns from impacted communities and stakeholders, including Assembly Bill (AB) 617 Community Steering Committees and the Board of Directors (Board). Staff previously presented on ISR considerations at the Stationary Source Committee (Committee) meetings in March 2024, September 2024, November 2024, and March 2025, providing an overview of regulatory efforts across the state and examining emissions from various sources, including trucks, trains and ocean-going vessels.

DISCUSSION

Warehouses in the Bay Area

Air District staff obtained information from a commercial real estate analytics firm (CoStar) to identify the number, size, and location of existing warehouses in the Bay Area. This preliminary, screening-level inventory includes sites classified as warehouses, distribution centers, manufacturing facilities, refrigeration/cold storage locations, truck terminals, and flex spaces. Based on an initial screening of real estate data, staff estimates that the region contains approximately 16,000 warehouses, ranging in size from less than 1,000 square feet to over 1 million square feet of indoor floor space.

The screening-level inventory also shows that many warehouses are clustered in overburdened communities (OBCs), AB 617 communities, and other communities. To capture a more complete view of the potential emission reduction benefits of an ISR to these communities, as well as other local receptors, Air District staff refer to these in the concept paper as impacted communities.

Indirect Source Rules in Other Air Districts

Air District staff reviewed relevant regulations and policies that govern indirect sources implemented by other air districts in California, including the following:

- South Coast Air Quality Management District (SCAQMD) Rule 2305, Warehouse Actions and Investments to Reduce Emissions (WAIRE)
- SCAQMD Rule 2306, Freight Rail Yards
- San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 9510, Indirect Source Review

Air District staff focused on SCAQMD's WAIRE Program due to its relevance of scope. This first-of-its-kind air district rule targets reductions of nitrogen oxide (NOx) emissions from warehouse sources in the Greater Los Angeles region.

SCAQMD's WAIRE Program applies to approximately 3,320 warehouses in the greater Los Angeles region, covering all facilities with 100,000 square feet or more of indoor floor space in a single building used for warehousing activities. Affected warehouses must either earn a specified number of points annually by implementing approved emissions reduction measures from a menu or pay a mitigation fee to meet compliance requirements.

SCAQMD Rule 2306 focuses on NOx and particulate matter (PM) emissions from rail sources, while SJVAPCD Rule 9510 focuses on new indirect sources rather than existing operational warehouses.

Relevant Regulatory Activity

For warehouses, the primary sources of indirect emissions are medium- and heavy-duty trucks. The California Air Resources Board (CARB) has adopted several regulations aimed at reducing truck emissions, including the Truck and Bus Rule, Advanced Clean Trucks Regulation, Heavy-Duty Low NOx "Omnibus" Rule, and Clean Truck Check/Heavy-Duty Inspection and Maintenance Program.

CARB's Advanced Clean Fleets (ACF) Regulation, adopted in 2023, requires certain fleets to transition to zero-emission vehicles (ZEVs) through a phased approach, and requires manufacturers to produce only ZEV trucks beginning with the 2036 model year. Under the Clean Air Act, California has the authority to seek a waiver from federal preemption, allowing the state to enforce its own emissions standards for new nonroad engines and vehicles. CARB initially submitted a waiver request on November 15, 2023. However, on January 13, 2025, California withdrew its request, leaving only the state

and local government fleet requirements as enforceable.

Further federal actions have eliminated previously expected emissions reductions in this sector. In May 2025, Congress passed three resolutions rescinding Clean Air Act waivers, two of which applied to the Advanced Clean Trucks Regulation and the Heavy-Duty Low NOx “Omnibus” Rule. On January 27, 2026, the Environmental Protection Agency issued partial disapproval of California’s State Implementation Plan pertaining to the Clean Truck Check, meaning that CARB cannot credit emissions reductions from out-of-state vehicles for attaining national air quality standards.

Regulatory Concepts

Air District staff is considering several elements for a potential Bay Area warehouse ISR, as outlined in the concept paper.

Applicability threshold. Sensitivity analysis found that an applicability threshold of 100,000 square feet, consistent with the WAIRE program, would cover approximately 1,025 sites, representing 42% of regional warehouse floor area. Rather than a single, regional threshold, a potential rule could also apply a reduced threshold to smaller warehouses located in impacted communities.

Phased implementation. The presentation also discusses a phased implementation approach. In Phase I, the Air District would establish initial reporting requirements, compliance obligations and options, collecting data on warehouses subject to the rule. Reporting would include a one-time Warehouse Operations Notification and Initial Site Information Report, followed by annual compliance reporting. In Phase 2, more targeted requirements would be rolled out, focusing on reducing localized exposure in impacted communities and utilizing reported data from Phase 1 to improve and optimize the program.

Compliance approaches. Air District staff is evaluating different options for determining facility compliance obligations under a potential rule. One approach, based on the WAIRE program, would set regional emissions reduction targets and allocate reductions to facilities based on their activity, with truck trips as a proxy for overall activity. An alternative approach would establish a per-facility baseline and require a percentage reduction requirement over time, similar to the SJVAPCD ISR. A simpler approach could sort warehouses into tiers based on size, location, and other factors; compliance obligations would be based on a required number of actions rather than specific emissions reductions.

Particulate matter focus. A potential rule would place particular focus on particulate matter (PM) reductions, potentially assigning greater weight to PM-reducing actions. Based on initial estimates, a local rule could reduce NOx emissions by up to 280 tons per year and fine particulate matter (PM₁₀), primarily diesel particulate matter, by up to 1.3 tons per year. Air District staff is also considering the important co-benefit of health risk impact reductions correlated with PM₁₀ reductions in impacted communities.

Stakeholder Engagement

The 45-day public comment period for the warehouse ISR concept paper closed on June 1, 2026. Air District staff is conducting targeted outreach to community, industry, and government stakeholders and intends on holding workshops in Summer 2026.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Christopher Easter, Julia Luongo, and Jerold Brito
Reviewed by: Bradley Cole and Victor Douglas

ATTACHMENT(S):

1. Warehouse Indirect Source Rule Presentation



Warehouse Indirect Source Rule: Overview, Concept Paper, and Next Steps

Stationary Source Committee

June 10, 2026

Christopher Easter

Senior Air Quality Specialist

Regulatory Development Division

Presentation Outline

- Background
- Regulatory Context
- Rule Concepts
- Stakeholder Engagement and Public Workshops

Background

Warehouses as indirect/magnet sources

Warehouses attract activity from sources like heavy-duty trucks and cargo handling equipment, thereby *indirectly* causing emissions. An indirect source rule (ISR) would require warehouse operators to reduce emissions.



Background: Goods Movement



LAO, "Overview of California's Ports, August 23, 2022



Recap of Committee Presentations

March 2024

- Background on indirect sources; regulatory landscape; Assembly Bill (AB) 617 impacts

September 2024

- Emissions data; considerations for managing indirect sources

November 2024

- Marine emissions; emissions inventory; AB 617 community assessments

March 2025

- Potential warehouse ISR emission reductions; regulatory update

Regulatory Context: Federal and State

Clean Air Act – 42 U.S.C. § 7410(a)(5)

(A)

(i) Any State may include in a State implementation plan, but the Administrator may not require as a condition of approval of such a plan under this section, any **indirect source review program**...

(C) For purposes of this paragraph, the term “**indirect source**” means a facility, building, structure, installation, real property, road, or highway which attracts, or may attract, mobile sources of pollution.

California Health and Safety Code § 40716

(a) In carrying out its responsibilities pursuant to this division with respect to the attainment of state ambient air quality standards, a district **may adopt and implement regulations** to accomplish both of the following:

(1) Reduce or mitigate emissions from **indirect** and areawide sources of air pollution.

(2) Encourage or require the use of measures which reduce the number or length of vehicle trips.

Regulatory Context: Federal and State (cont.)

- Advanced Clean Fleets (ACF) was expected to drive significant heavy-duty emission reductions
- California Air Resources Board (CARB) withdrew its waiver request for ACF, In-Use Locomotive Regulation, Commercial Harbor Craft
- Other CA regulations affected by federal action: Advanced Clean Trucks, Heavy Duty Low Nitrogen Oxides (NOx) (“Omnibus”), Clean Truck Check (Heavy Duty Inspection/Maintenance)
- More impetus for local agency action, e.g. ISRs

Regulatory Context: Other Air District ISRs

- San Joaquin Valley Air Pollution Control District
 - Rule 9510: Indirect Source Review
- San Diego Air Pollution Control District
 - Warehouse Indirect Source Rule under evaluation
- South Coast Air Quality Management District (SCAQMD)
 - Rule 2304: Commercial Marine Ports
 - *Initially a Ports ISR but changed to a cooperative agreement on zero-emission infrastructure planning*
 - Rule 2305: Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program
 - Rule 2306: Freight Rail Yards Indirect Source Rule

SCAQMD WAIRE

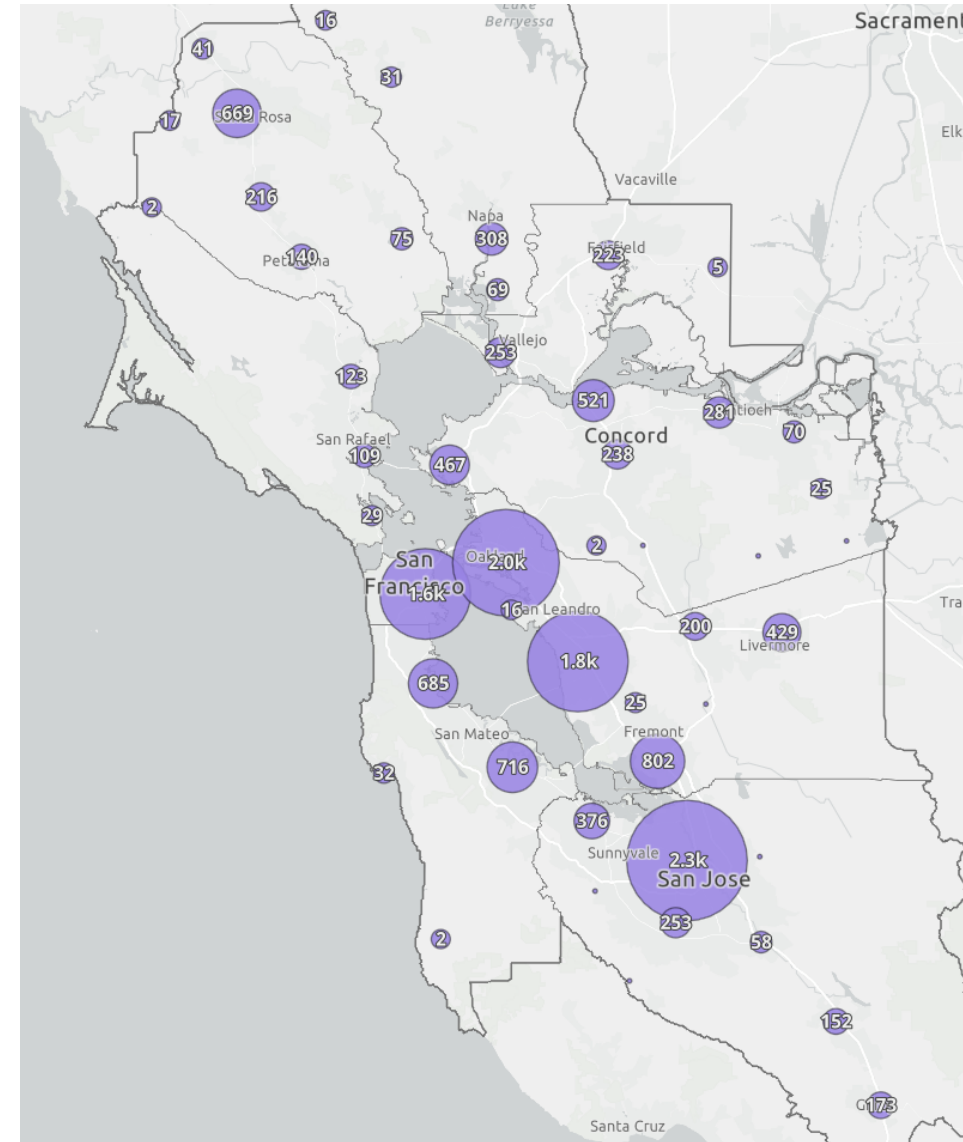
Key Elements of WAIRE

- Applicability: warehouses >100,000 square feet (sq. ft.)
- Requirement: earn required WAIRE points annually, based on site activity
- Compliance options: select actions from a menu, submit custom WAIRE plan, or pay mitigation fee
- Implementation: three-phase implementation based on warehouse size with ramp up to full stringency (*% stringency values below*)

Warehouse Size	2022	2023	2024	2025	2026 onwards
≥ 250,000 sqft.	33%	67%	100%	100%	100%
≥ 150,000 to < 250,000 sqft.	0%	33%	67%	100%	100%
≥ 100,000 to < 150,000 sqft.	0%	0%	33%	67%	100%

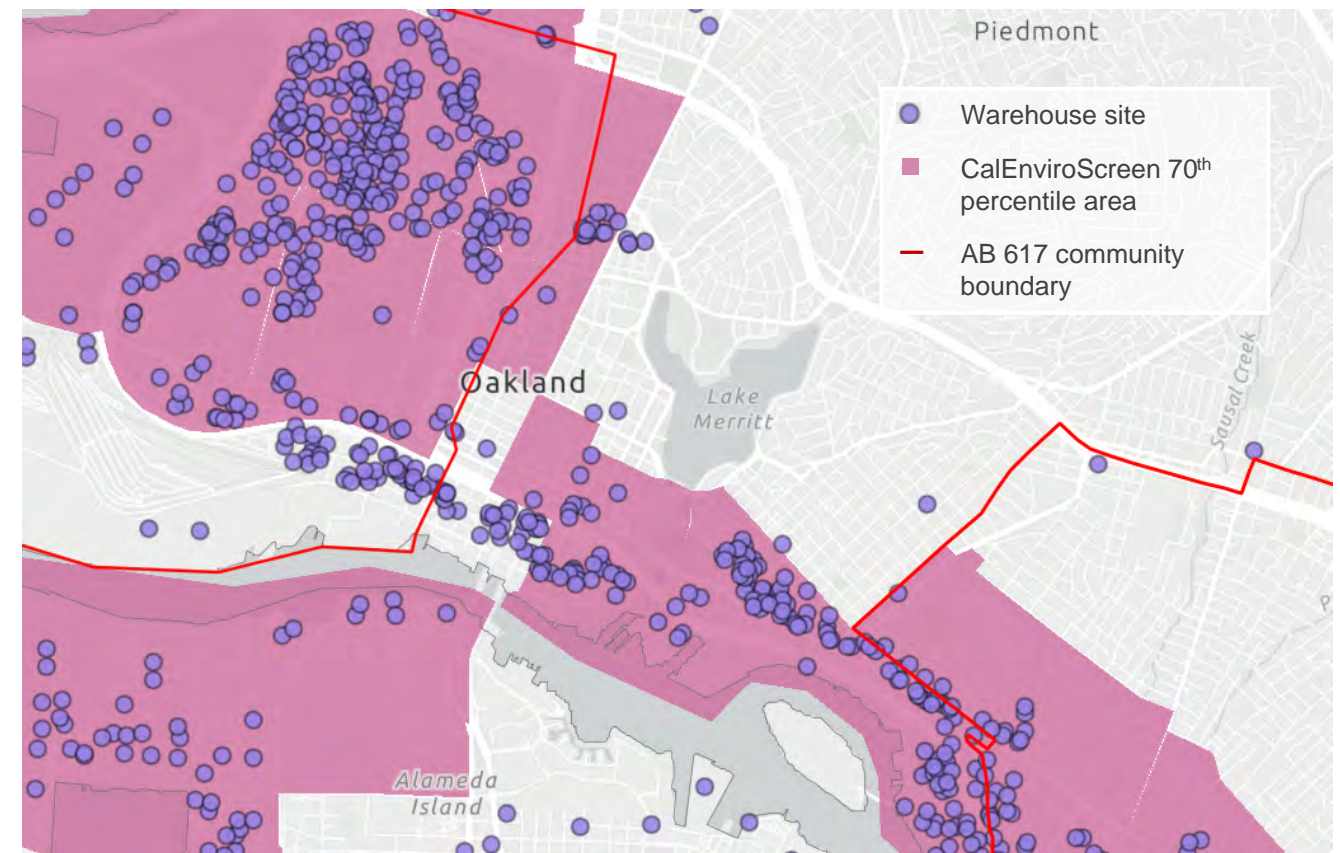
Warehouses in the Bay Area

- ~16,000 total warehouses across 9 counties
- Individual sites range from less than 1000 square feet to over 1 million square feet



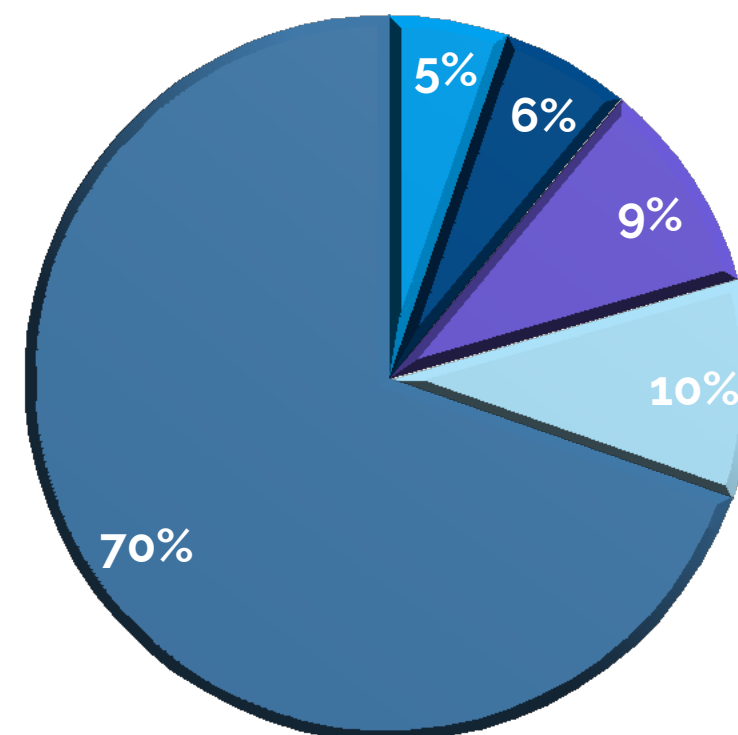
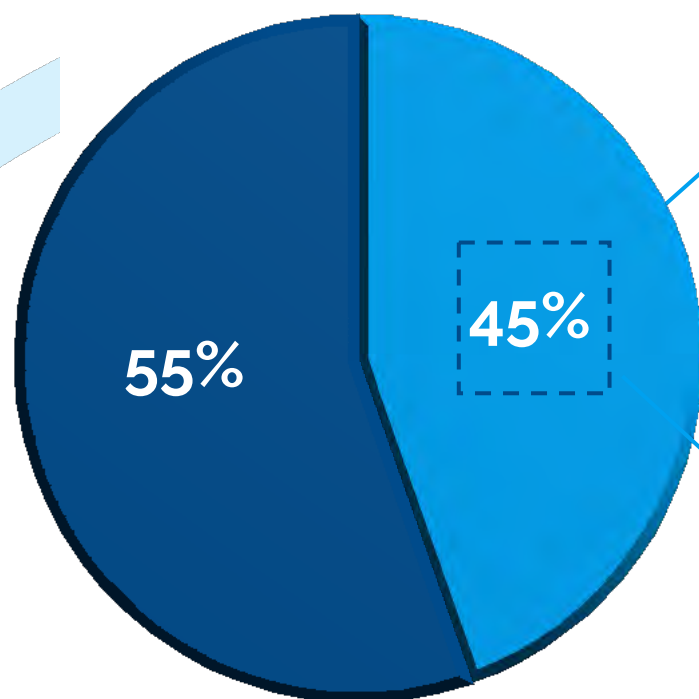
Warehouses in the Bay Area (cont.)

- Many warehouses are in impacted communities
- There is a wide range in warehouse sizes and activity levels which creates a cumulative impact on air quality



Warehouses in the Bay Area (cont.)

- Warehouses in Overburdened Communities (OBC)
- Warehouses Outside OBC



- West Oakland
- Richmond/North Richmond/San Pablo
- East Oakland
- Bayview Hunters Point/Southeast SF
- Non-AB 617 Communities

Warehouse ISR Concept Paper

- Published a concept paper on April 16 outlining initial regulatory concepts
- Public comment period closed June 1
- Launched alongside an ISR landing page, new mailing list, and plain-language flyer



Concepts: Applicability

Warehouse Floor Area Category (square feet)	Number of Warehouses	Total Floor Area (square feet)	Number of Warehouses in Overburdened Communities (OBCs)	Percent of Total Warehousing Floor Area	Percent Floor Area in OBCs
450k+	50	38,865,787	15	8%	30%
350k–450k	36	14,167,491	12	3%	33%
250k–350k	121	34,819,276	46	7%	38%
150k–250k	297	57,399,770	119	12%	40%
100k–150k	521	62,061,949	194	13%	37%
50k–100k	1,268	88,539,393	442	18%	35%

- Considering an applicability threshold of 100,000 square feet
- Potential lower threshold for warehouses in impacted communities

Concepts: Implementation

Phase 1

- Establish reporting requirements and flexible compliance menu
- Collect fleet and operational data



Phase 2

- More targeted requirements, focused on local exposure and health risk

Concepts: Compliance Options

Activity-based allocation

- Set Bay Area emission reduction goals
- Allocate compliance obligation based on truck activity

Reduction from baseline

- Establish baseline emissions per facility
- Percentage reduction requirement

Screening-based approach

- Screening assessment determines obligation based on warehouse size, location, other factors

Two-stage obligation

- Set initial emission reduction target
- Refine target with additional data or health risk assessment

Concepts: PM Reductions, Reporting and Emissions Benefits

- Focus on particulate matter reductions, potentially assigning greater weight to Particulate Matter (PM)-reducing actions
- One time Warehouse Operations Notification and Initial Site Information Report, followed by annual compliance reporting
- Screening-level analysis shows reductions of 280 tons per year of NOx and 1.3 tons per year of PM₁₀
- Important Co-Benefit of health risk impact reductions correlated with PM₁₀ reductions in overburdened communities

Stakeholder Engagement

- Direct outreach to stakeholders
- Public comment on the concept paper closed on June 1
- Public workshops in Quarter (Q)3 2026

Public Comments

Summary of Public Comments

- Number of Comments
- Stakeholders Commenting
- General Themes

Questions & Discussion

For more information:

Christopher Easter | Senior Air Quality Specialist | ceaster@baaqmd.gov

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Ken Carlson and Members
of the Stationary Source Committee

From: Philip M. Fine
Executive Officer/APCO

Date: June 10, 2026

Re: Mid-Year Review of the 2026-2027 Regulatory Agenda

RECOMMENDED ACTION

None; the Committee will discuss this item, but no action is requested at this time.

BACKGROUND

The Air District's 2024-2029 Strategic Plan specifies four specific goals:

1. Achieve Impact
2. Advance Environmental Justice
3. Foster Cohesion and Inclusion
4. Be Effective, Accountable, and Customer-Oriented

Because effective rules are essential to achieving every one of these goals, Air District staff developed a five-year plan for rule development that would span the duration of the Strategic Plan. The rule development efforts were prioritized based on input from several sources, and include efforts that are ongoing, efforts that have been identified as essential to the implementation of the Air District's 2024-2029 Strategic Plan, and regulatory measures listed in Assembly Bill 617 community emission reduction plans. The plan also takes into consideration the priorities identified by the Board of Directors, the Community Advisory Council, and Air District staff to improve operational efficiency and effectiveness.

DISCUSSION

Air District staff will present an overview of the rule development efforts anticipated to be in progress or started within the next 18 months, including upcoming key milestones for current projects and a prioritized list of pending rulemaking projects. As the Air District completes each rulemaking project, new projects will be started from the list of pending projects. The list of rule development efforts that are included in the current schedule and list of pending projects were identified and prioritized using input from several sources, including the Strategic Plan, Board direction, statutory mandates,

commitments made in community emissions reduction plans, identified priorities from the Community Advisory Council, and recommendations from Air District staff based on analysis of emissions data and/or discussions with community members.

The presentation includes updates on the status and next steps of the efforts, as rule development processes can be dynamic and staff evaluates changes in the needs, priorities, and inputs described above. This includes an update on timing and schedule for upcoming steps for amendments to Building Appliance Rules – Flexibility and Affordability Amendments for Water Heaters (Rule 9-6). Staff is updating their recommendation for a November 2026 Board Hearing to allow for additional time to fully receive, consider, and address public comments on draft materials, as well as recent comments received from stakeholders, including affordable housing providers. The recommendation also allows for completing analysis of socioeconomic impacts and ensuring that California Environmental Quality Act requirements are met.

Moving forward, staff will continue to evaluate and update the plan to adjust for changes in resource needs, new and changing mandates, input from communities and working groups, and input from the Community Advisory Council and Board of Directors. Staff will also continue to routinely report updates on the regulatory development program to the Stationary Source Committee and Board of Directors.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: David Joe
Reviewed by: Victor Douglas

ATTACHMENT(S):

1. Mid-Year Rules Update Presentation



Mid-Year Review of the 2026-2027 Regulatory Agenda

Stationary Source Committee

June 10, 2026

David Joe

Manager

Regulatory Development Division

Abbreviations

AB: Assembly Bill

CAC: Community Advisory Council

CEQA: California Environmental Quality Act

PM: Particulate Matter

PTCA: Path to Clean Air

RACT/RACM: Reasonably available control technology/control measure

SIP: State Implementation Plan

SSC: Stationary Source Committee

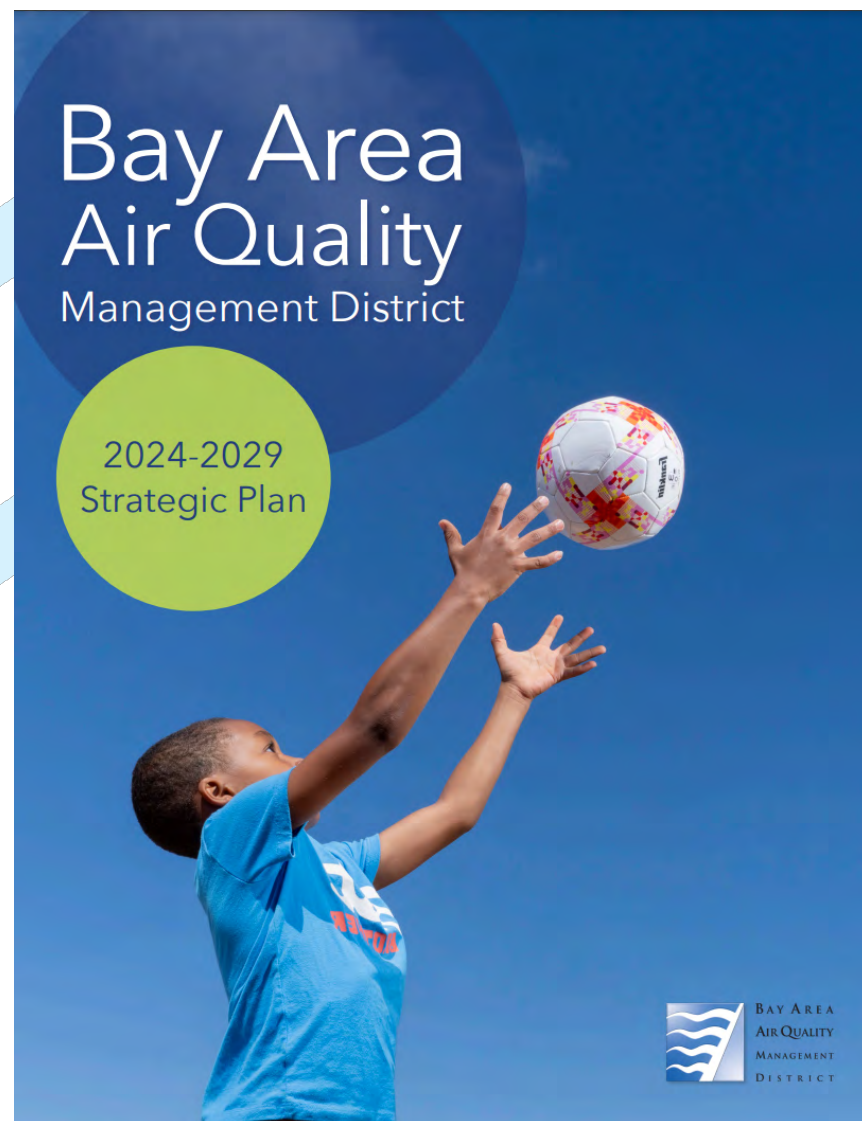
TAC: Toxic Air Contaminant

WOCAP: West Oakland Community Action Plan

Overview

- Rule Development Plan Background
- How Do We Prioritize Rule Projects?
- Current and Planned Rule Development
- Other Considered Rule Development
- Next Steps

Strategic Plan Goals



Four Primary Goals:

- Achieve Impact
- Advance Environmental Justice
- Foster Cohesion and Inclusion
- Maintain an Effective, Accountable, and Customer-Oriented Organization

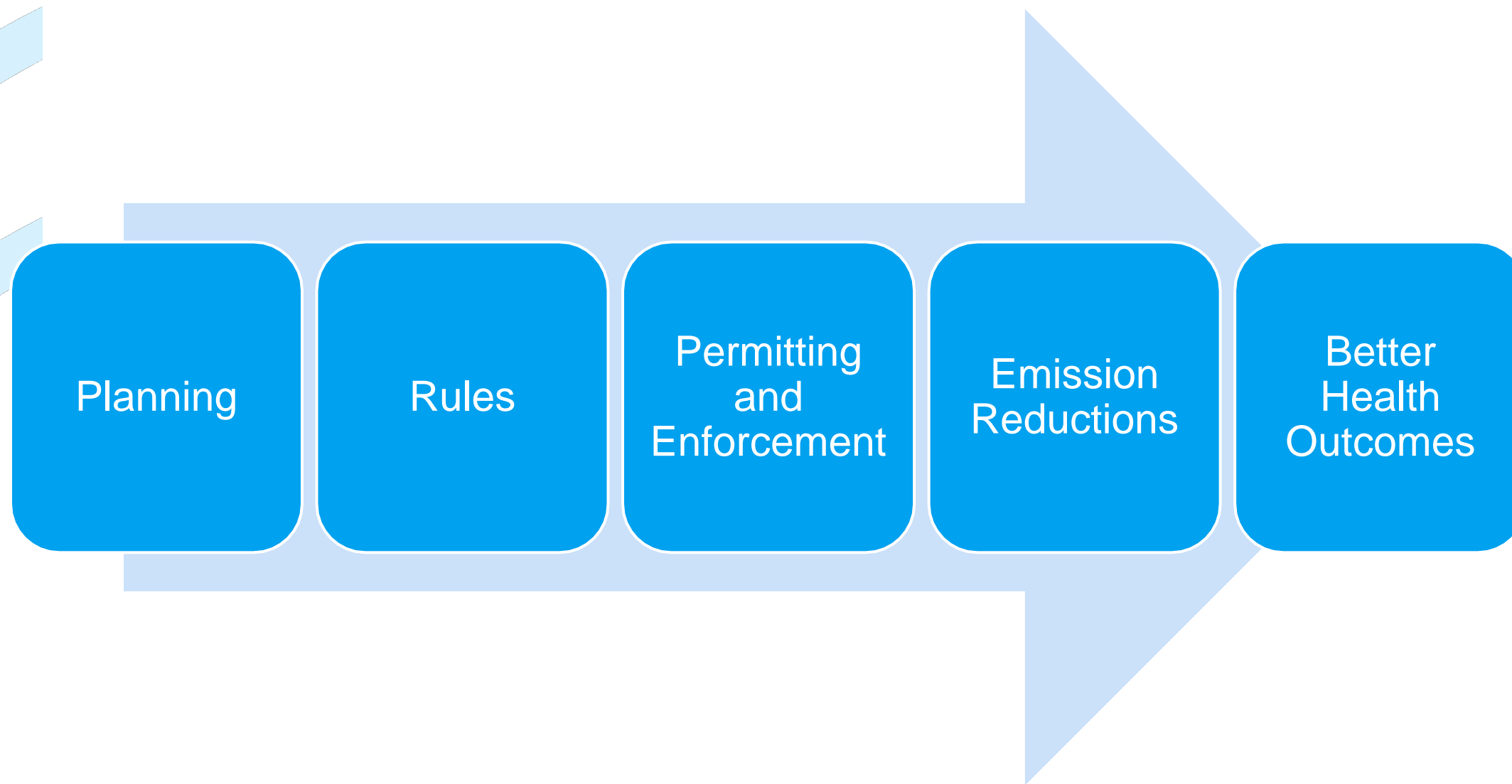
Strategic Plan Goals and Strategies

Effective rules are critical to achieving every Goal in the Air District's Strategic Plan

Our rules and regulatory development efforts are powerful tools that will help achieve beneficial impacts and further address environmental justice concerns



How Rules Fit In



Prioritization Criteria

- Board Direction
- Air Quality Benefits & Impacts
- Identification of Unregulated Sources of Air Pollution
- Air Quality Mandates (e.g., SIP, legislation)
- Community Concerns / Stakeholder Input
- Community Emissions Reduction Plans
- Strategic Plan Alignment
- Air District Resource Constraints



Rule Development Impetus Sources

- Right to Breathe: East Oakland Community Air Quality Justice Plan
 - East Oakland Community Steering Committee
 - Communities for a Better Environment
- Path to Clean Air (PTCA)
 - Richmond-North Richmond-San Pablo Community Steering Committee
- West Oakland Community Action Plan (WOCAP)
 - WOCAP Steering Committee
 - West Oakland Environmental Indicators Project
- Community Advisory Council
- Air District staff input

Current & Planned Rule Development

Project	Milestone / Timing
Toxic Risk at Existing Facilities (Rule 11-18) Phase I – Efficiency and Implementation Improvements	Public Hearing / June 2026
Minimize Flaring (Rules 12-11 & 12-12) & “Flaring 101”	RTWG Meeting / July 2026
Rulemaking Socioeconomic Impact Analysis Policy	SSC Presentation / July 2026
Refinery Fenceline Air Monitoring and Emissions Tracking Programs (Rule 12-15 & 12-17)	SSC Presentation / July 2026
Building Appliance Rules – Flexibility and Affordability Amendments for Water Heaters (Rule 9-6)	Public Hearing / November 2026
Building Appliance Rules – Amendments for Furnaces (Rule 9-4)	IWG Report / December 2026

Note:

- **Draft:** Draft Rule Language for Public Comment
- **RTWG:** Refinery Technical Working Group
- **IWG:** Implementation Working Group

Rule 9-6 Board Hearing

- Updated staff recommendation for **November 2026** Board Hearing to allow additional time to:
 - Incorporate recent Board discussion and comments received from stakeholders including affordable housing providers
 - Release draft regulatory language in June 2026 and fully consider and address public comments
 - Complete analysis of socioeconomic impacts and ensure CEQA requirements are met

Current & Planned Rule Development (cont.)

Project	Milestone / Timing
Metal Recycling and Shredding Operations (Rule 6-4)	Publish Draft / Q3 2026
Fugitive Dust (Rules 6-1 & 6-6)	Publish Draft / Q3 2026
Toxic Risk at Existing Facilities (Rule 11-18) Phase II – Stringency Improvements	Initiate Rule Development / Q3 2026
Indirect Source Rule (new)	Public Workshops / Q3 2026
Backup Generators (new)	Publish Concept Paper / Q4 2026
Permitting Efficiencies (Rules 2-1, 2-2, 2-5)	Regulatory Concepts / Q4 2026
Rule Updates for Federal Air Quality Planning Requirements	Complete RACT/RACM Analysis / Q1 2027

Note: Draft: Draft Rule Language for Public Comment

Considered Rule Development

Project by Priority	Impetus / Source
Toxic New Source Review / Cumulative Impacts (Rule 2-5)	Community Concerns / Staff Recommendation / CAC Priority
Refinery-Specific Toxic Rules (new)	Community Concerns
Health-Based PM Rules (new)	Community Concerns / Staff Recommendation / CAC Priority
Permitting Upgrades (Rules 2-1, 2-2, & 2-5)	Community Concerns / Staff Recommendation

Considered Rule Development (cont.)

Project	Impetus / Source
Refinery Sulfur Oxides (SOx) Emissions (new)	Community Concerns
Refinery Nitrogen Oxides (NOx) Emissions	Community Concerns
Organics Materials Handling and Composting Operations	Community Concerns / Staff Recommendation
Organic Storage Tanks (Rule 8-5)	Community Concerns / Staff Recommendation
Industrial Boilers, Steam Generators, Process Heaters (Rule 9-7)	Community Concerns
Autobody Operations (Rule 8-45)	Community Concerns

Next Steps

New Clean Air Plan

- Help meet Air District Strategic Plan commitments and address state and federal planning requirements
- Propose control measures to meet regional air quality standards and minimize disproportionate exposure to PM and TACs
- Upcoming work
 - Conduct stakeholder engagement
 - Complete technical analyses
 - Develop and select control measures

Next Steps (cont.)

- Frequently evaluate resource needs to stay on track
- Evaluate any new and changing mandates
- Continually consult with communities
 - AB 617 Community Meetings
 - Refinery Corridor Bimonthly
 - Refinery Technical Working Group
 - Community Advisory Council
 - Responding to Community Complaints and Concerns
- Routinely report to the Committee and Board of Directors

Questions & Discussion

For more information:

David Joe | Manager | djoe@baaqmd.gov