



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 4

Path to Clean Air Richmond-North Richmond-San Pablo Draft Final Community Emissions Reduction Plan

**Community Equity, Health and Justice Committee Meeting
April 22, 2024**

**Diana Ruiz
Community Engagement Manager
druiz@baaqmd.gov**

**Wendy Goodfriend
Planning and Climate Protection Division Director
wgoodfriend@baaqmd.gov**

Presentation Outcome



- Describe the Path to Clean Air (PTCA) and introduce the Community Steering Committee (CSC).
- Share the goals and purpose of the Community Emission Reduction Plan (PTCA Plan).
- Spotlight critical solutions developed in PTCA Plan.
- Request for action.

Presentation Outline



- Overview of the Path to Clean Air (PTCA)
- Goals of the PTCA Plan
- Turning Problems into Solutions
- Public Review and CSC Approval
- Compliance with CEQA
- Community Steering Committee Priorities and Insights
- Requested Action

Presentation Requested Action

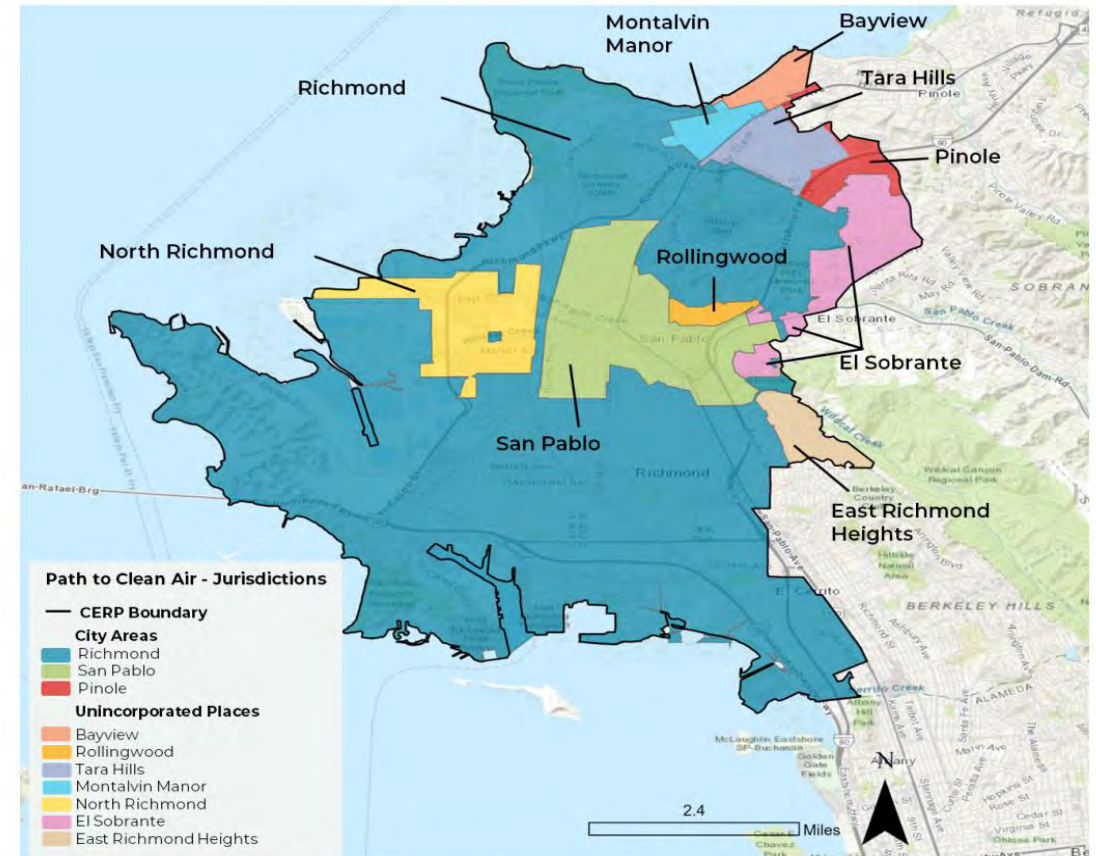


Recommend to the Board of Directors that the Board (i) adopt the Draft Final PTCA Plan and (ii) approve the determination that adoption of the Draft Final PTCA Plan is exempt from the California Environmental Quality Act (CEQA).

Overview of the Path to Clean Air



- Includes areas of Richmond, North Richmond, San Pablo and unincorporated Contra Costa County
- Area has major pollution sources and disproportionately high health burdens
- Selected for AB 617 Community Air Monitoring Plan (CAMP) in 2018
- Selected for AB 617 Community Emissions Reduction Plan (CERP) in 2020



Community Emission Reduction Plan Boundary and Jurisdictions

Community Steering Committee



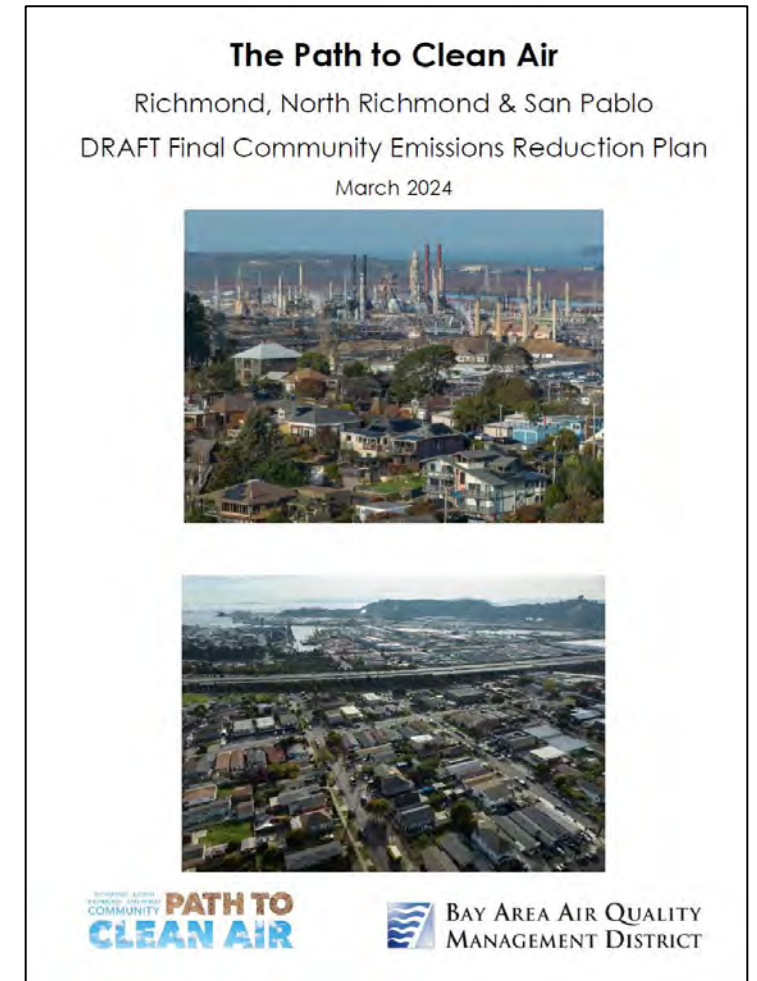
- Community Steering Committee (CSC) convened in 2021 to develop a CERP, also known as the PTCA Plan
- Comprised of individuals who work, live or grew up in the area, and non-voting government and industry representatives
- Governed by a CSC-adopted Charter



PTCA Plan Development Process



- The Draft Final PTCA Plan was co-developed by the CSC, Air District, California Air Resources Board (CARB), local governments, and key implementation partners.
- CSC members participated in monthly committee meetings, ad hoc subcommittees, writing and review teams, and helped center community voice in the PTCA Plan.
- The PTCA Plan contains new actions that go beyond existing efforts to further reduce local sources of air pollution that drive disparities.



PTCA Plan Goals



Goal #1 Just Transition: In pursuit of our right to breathe clean air, promote environmental justice, and ensure the well-being of our residents and workers, our community-driven emissions reduction plan is rooted in Just Transition principles. This plan seeks to address the consequences of historical racial disparities by developing more stringent air pollution policies that advance social healing and restoration.

Goal #2 Health: In pursuit of reducing historically high rates of asthma, cancer, and other chronic health conditions, our plan seeks to lower our community's disproportionate exposure to air pollution by reducing toxic emissions from local sources by 30-50% by 2035.

PTCA Plan Goals (cont.)



Goal #3 Community Engagement: Through education and engagement, our plan aims to empower our community by providing resources and tools to promote understanding of air pollution and its impact on our health and environment.

Goal #4 Hold Government Accountable: Our goal is to hold our government accountable for implementing our plan, including its strategies and actions, to protect our health and environment and effectively enforce regulations on high-polluting industries and other toxic sources of emissions in our community.

Turning Problems into Solutions



Strategies addressing community concerns:

- Fuel refining, support facilities, storage, and distribution
- Mobile sources
- Commercial and industrial sources near communities
- Marine and rail
- Public health and reducing exposures



Cross-cutting strategies:

- Compliance and enforcement
- Land use
- Urban greening
- Properly resourced CERP



Fuel Refining Solutions



Fuel Refining, Support Facilities, Storage, and Distribution Strategies

1. Move Towards a Just Transition.
2. Reduce Persistent Flaring and Improve Incident Response.
3. Hold Chevron and Other Emitters Accountable for Reducing Pollution and Negative Public Health Impacts from their Operations.
4. Reduce Exposure and Public Health Impacts from Toxic Air Contaminants Emitted by the Fuel Refining sector.
5. Reduce Exposure and Public Health Impacts from Particulate Matter and Other CAPs Emitted by the Fuel Refining sector.

Example Fuel Refining Strategies the Air District Will Lead During Implementation



- Lay the foundation for a Just Transition to a fossil fuel-free future with community, workers, and governmental leaders at the helm (***led by CSC, Air District supports***).
- Develop a Community Benefits Policy to invest up to 100% of penalty funds from fuel refining back into the PTCA area. Work with a CSC subcommittee to facilitate public engagement in policy development.
- Reduce flaring activity and better respond to and inform the public about major incidents.

Example Fuel Refining Strategies the Air District Will Lead During Implementation (cont.)



- Evaluate risk reduction approaches for particulate matter health impacts.
- Hold fuel refining industry accountable through enhanced compliance and enforcement, legal approaches and penalties, permitting, and monitoring.
- Pilot legal enforcement approaches for fuel refining facilities. Develop approaches in collaboration with the CSC considering public health impacts and Just Transition Principles: *improve enforcement of existing regulations; embrace community-driven planning and decision-making; stress the need for broad social healing and restoration.*

Fuel Refining Proposed Rules & Rule Related Actions



Update rules to reduce emissions and exposure from all fuel refining sources feasible, thoroughly engaging the public and CSC in the process:

- Strengthen Flaring Rules 12-11 and 12-12.
- Amend Rule 11-18 to improve stringency, efficiency, transparency, and public engagement.
- Evaluate targeted source-category specific rules.
- Develop regulations using the PM_{2.5} Local Risk Methodology.
- Evaluate NO_x BARCT for combustion sources.
- Evaluate controls to reduce SO_x emissions.

Mobile Source Solutions



Vehicles & Trucks, Streets & Freeways, Logistics & Warehouses Strategies

1. Truck-Attracting Businesses.
2. Prioritize Air Quality Benefits of Traffic Calming and Other Safety Improvements on Local Streets and Freeways.
3. Multi-Jurisdictional Truck Management Plan (TMP).
4. Equitable Street Sweeping.
5. Support Transitions to Clean Fleets.
6. Public Transit and Active Transportation.

Commercial & Industrial Solutions



Commercial & Industrial Sources Near Communities Strategies

1. Control Fugitive Dust.
2. Utilize Permitting to Address Commercial and Industrial Sources Near Community.
3. Reduce Exposure from Food Preparation.
4. Address Community Concerns and Impacts from Large Industrial Sources.
5. Address Community Concerns and Impacts from Commercial and Smaller Industrial Facilities.

Example C&I Strategies the Air District will Lead during Implementation



- Control sources of fugitive dust and prevent particulate matter from becoming airborne and reduce community exposure.
- Reduce particulate matter emissions, toxic air contaminants, and other health hazards from large facilities including Levin Terminal, the West Contra Costa County Landfill, Gold Bond (Formerly New NGC).
- Implement Rule 11-18 as expeditiously as possible in order to reduce toxics impacts from large facilities.
- Address community concerns and reduce local impacts from smaller facilities and sources that are commercial or industrial in nature (e.g., backup generators, autobody shops, other small businesses).

Marine & Rail Solutions



Marine & Rail Strategies

Reduce cancer and chronic health risk from:

1. Rail Operations and Facilities
2. Ocean Going Vessel Operations
3. Commercial Harbor Craft
4. Cargo Handling Equipment
5. Cumulative Impact Facilities and Operations

Public Health Solutions



Public Health & Reducing Exposures Strategies

1. Increase Health Resilience and Improve Social Determinants of Health.
2. Reduce Air Pollution at Home.
3. Promote Healthy Food Access.
4. Promote Resilience Centers.
5. Pollution and Public Health Education, Outreach, Accountability, and Health Data Tracking.
6. More Complete Health Risk Data and HRAs, Including Pollutant Interactions.

Example Health Strategies the Air District Will Lead During Implementation



- Increase home retrofits for low-income families within the PTCA area including air filtration, energy efficiency, weatherization, and sealing to protect families from air pollution.
- Support transition to electric appliances for PTCA residents (new and existing homes including rental units).
- Ensure resources for high-efficiency air filtration distribution and installation programs, and support partnerships that benefit vulnerable populations and places.
- Evaluate opportunities to reduce health impacts from residential wood burning.

Other Proposed Rules & Rule Related Actions



- Change permitting rule(s) to increase accessibility, incorporate EJ principles and strengthen community protections.
- Evaluate opportunities to strengthen emissions and operational requirements, improve monitoring, recordkeeping and reporting for enforceability related to:
 - Autobody Shops
 - Metal Recycling
 - Sources of Fugitive Dust
 - Back Up Generators (BUGs)
 - Wood Burning
 - Indirect or Magnet Sources
 - Restaurants

Draft PTCA Plan Public Review



- Public comment period on the Draft PTCA Plan opened on December 13, 2023, and concluded on January 19, 2024.
- A total of 48 public comments were received, covering 223 specific topics.
- Summary of comments and responses by theme was posted to the PTCA webpages on along with:
 - A list of all commenters (name/affiliation)
 - A spreadsheet of each comment with a brief response
 - A compilation of all comment received (with individual commenter's email, address, phone numbers redacted)

Community Steering Committee Approval



- As directed by the CSC at their February 26, 2024, meeting, Air District staff made non-substantive changes to the Draft PTCA Plan.
- A memorandum summarizing the changes along with the Draft Final PTCA Plan was posted to the PTCA webpages.
- At the March 25, 2024, CSC meeting the committee voted unanimously to approve the Draft Final PTCA Plan.
- With this approval the CSC confirmed the Draft Final PTCA Plan was ready to move to the CEHJ Committee for consideration.

Compliance with CEQA



- Legal staff with support from outside council determined the Draft Final PTCA Plan is exempt from CEQA.
- Discussion regarding this determination is included in the Draft Final PTCA Plan in *Appendix I: Applicability Analysis for California Environmental Quality Act*.

Community Steering Committee Priorities and Insights



- Y'Anad Burrell, MPA/MHA
- Dr. Niyi Omotoso, MD/MPH/FAAP

Recommended Action



Recommend to the Board of Directors that the Board (i) adopt the Draft Final PTCA Plan and (ii) approve the determination that adoption of the Draft Final PTCA Plan is exempt from the California Environmental Quality Act (CEQA).



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA: 5

Air District Rule 6-5 Settlement Agreement: Community Air Quality Fund

**Community Equity, Health and Justice Committee Meeting
April 22, 2024**

**Greg Nudd
Deputy Executive Officer, Science and Policy
gnudd@baaqmd.gov**

Presentation Outcome



- Share information about the Community Air Quality Fund and discuss next steps for consulting with community.

Presentation Outline



- Air District Rule 6-5 Settlement Agreement
- Community Air Quality Fund
- Next Steps

Presentation for Information Only



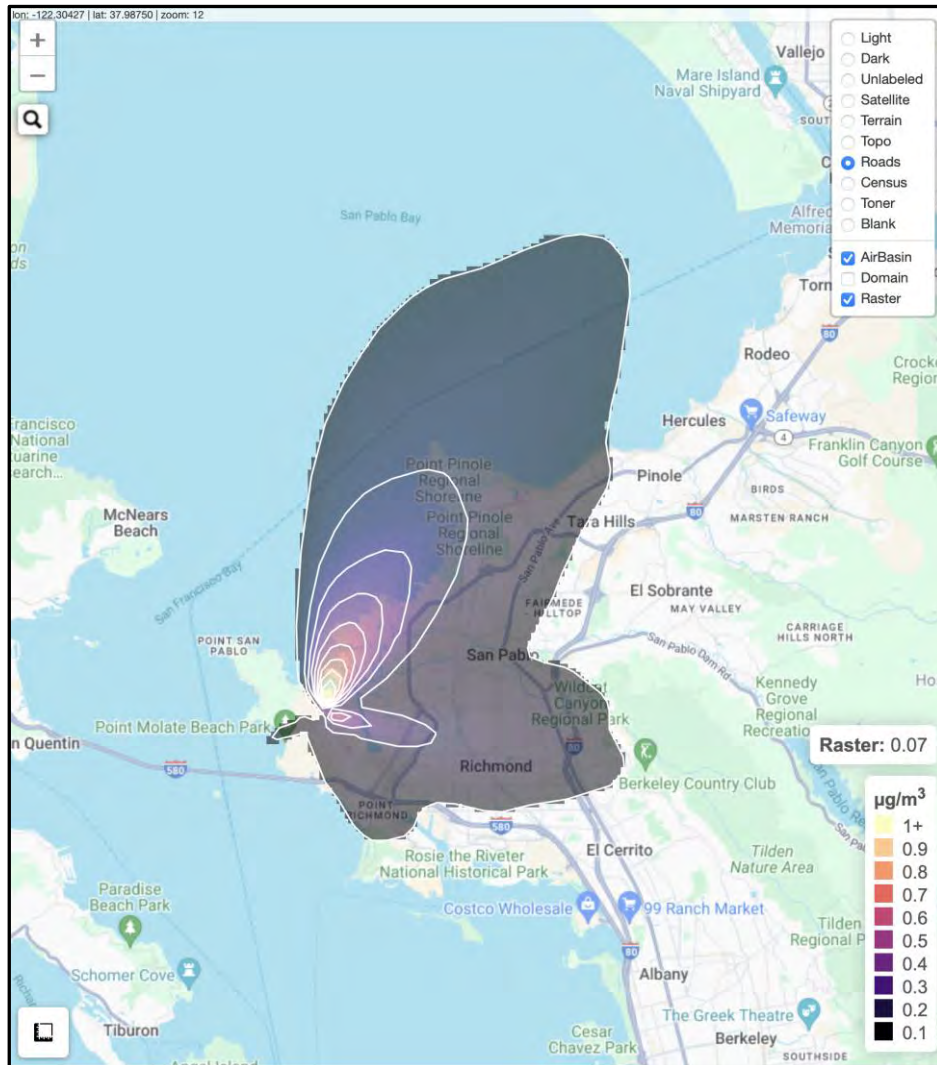
- No action required

What is the Air District Rule 6-5



- Rule 6-5 was adopted by the Air District in 2021.
- Most stringent emissions limit in the country for PM emissions from Fluid Catalytic Cracking Units (FCCUs).
- Adopted as part of the Air District's AB 617 implementation commitments.
- PM₁₀ emissions limit for refinery FCCUs: 0.010 grains/dscf (4-quarter average).
- **70% reduction** in PM emissions from Chevron's FCCU – **160 tons per year.**
- **80% reduction** in PM emissions from MRC's FCCU – **240 tons per year.**

Chevron FCCU PM Impacts



- This map shows estimated PM impacts from Chevron's FCCU based on 2019 emissions rates (before compliance with Rule 6-5).
- Shaded area shows modeled PM concentrations.
- This is the area that will benefit most from Rule 6-5's PM emission reductions.

Refineries' Lawsuits



- Two separate lawsuits: one by Chevron, one by MRC
- Claim that Air District failed to comply with CEQA
- Claim that Rule is too expensive and costs were not properly evaluated
- Trial was scheduled for February 29, 2024

Chevron Settlement: Rule 6-5 Provisions



- Chevron drops lawsuit – will comply with the Rule 6-5 PM emissions limit
- Chevron expects it will need additional pollution control equipment to comply
- Required timeline for permitting and constructing equipment:
 - Submit permit application to City of Richmond by August 2024
 - Obtain all permits by July 2027
 - Complete construction by July 2029
 - One-year extension in event of litigation/permitting delays beyond Chevron's control
- Interim PM emission reductions at Chevron's FCCU
- Community Air Quality Fund to reduce PM exposures around the refinery
 - **\$20 million (M)** initial payment – can start funding projects as they are identified
 - **\$3.5M/yr** after July 2026 while Chevron installing pollution control equipment
- Fines for PM emissions from FCCU:
 - **\$17M/yr** per year after July 2026 while Chevron installing equipment
 - **\$32M** for fourth year if permitting deadline extended a year

Community Air Quality Fund



What is the Community Air Quality Fund

- Section 5 of the 6-5 Settlement Agreement requires Chevron to pay into a Community Air Quality Fund.
- The fund will “provide funding for projects and programs to reduce PM emissions from other sources in the vicinity of the Richmond Refinery and to reduce PM exposures”.
- The fund is not a penalty payment.

Community Air Quality Fund (cont.)



Administrative costs:

- Up to 10% of the funds can be used for overhead including:
 - Compensation and expenses for advising community members at rates typically provided by the Air District to Community Steering Committee members.
 - Air District staff time and resources spent implementing and administering the fund including the process to consult with community advisors.

Community Air Quality Fund (cont.)



How much funding is available?

- \$20M is available for projects or programs as they are identified by the community consultation process and approved by the Air District Board of Directors.
- Chevron will pay another \$3.5M per year into the fund for each year that it operates in violation of Rule 6-5 after July 21, 2026.

Community Air Quality Fund (cont.)



Who will manage the funds?

- Per the 6-5 Settlement Agreement, the fund shall be established under the direction of the Air District.
- The Air District Board of Directors (Board) is the decision-making body that will approve projects and programs to be funded.

Community Air Quality Fund (cont.)



Will community be consulted?

- Per the 6-5 Settlement Agreement, the Air District will consult with interested stakeholders:
 - on the **process to determine** which projects and programs are recommended to the Board for funding
 - **on selecting** projects and programs that are recommended to the Board for funding
- Interested stakeholders are defined in the agreement as including, but not limited to, community members, local officials, Chevron, and others to develop and identify projects and programs to be funded.

Examples of Possible Programs



Example **Public Health and Reducing Exposures** actions from the Path to Clean Air Plan that could be funded (**Strategy 2 - Reduce Air Pollution at Home**):

- Support better access to home retrofits in the PTCA area, including energy efficiency, indoor air filtration, weatherization and sealing.
- Support transition to electric appliances for PTCA residents, including incentives for the switch from natural gas to electric appliances.
- Reduce exposure to wood burning, including incentives to replace wood-burning fireplaces or wood-burning fireplaces inserts with electric heat pumps.
- Create incentives for electric lawn and gardening equipment, including incentives for residents and other entities to purchase zero-emission lawn and gardening equipment.

Examples of Possible Programs (cont.)



Other example actions from the Path to Clean Air Plan that could be funded:

- **Mobile Sources, Strategy 4 - Equitable Street Sweeping**, including implementing enhanced street sweeping programs in PTCA neighborhoods that will benefit most.
- **Commercial and Industrial Strategy 3 - Reduce Exposure from Food Preparation Facilities and Operations**, including achieving voluntary emissions reductions from food preparation facilities and operations through incentives and/or outreach and education.
- **Commercial and Industrial Strategy 5 - Commercial and Smaller Industrial Facilities**, including incentives to replace backup generators with cleaner options and conducting small business enhanced outreach and compliance assistance.

Next Steps



- The Air District will consult with interested stakeholders on the **process to determine** which projects and programs are recommended to the Board for funding, e.g.;
 - framework for how decisions are made
 - criteria will be used to evaluate projects and programs
- The Community, Equity, Health and Justice Committee will discuss the community informed recommendation.
- The Committee will bring a recommendation to the Board of Directors for decision.



Questions/Discussion