



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

California Environmental Quality Act

NOTICE OF DETERMINATION

TO: Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

FROM: Bay Area Air Quality
Management District
375 Beale St., Suite 600
San Francisco, CA 94105

LEAD AGENCY: Bay Area Air Quality Management District
Project Applicant: Bay Area Air Quality Management District
Project Applicant Contact: Victor Douglas **Phone:** 415-749-4752

SUBJECT: FILING OF NOTICE OF DETERMINATION PURSUANT TO SECTION 21152 OF THE PUBLIC RESOURCES CODE AND CEQA GUIDELINES SECTION 15094

Project Title: New Regulation 13, Climate Pollutants, Rule 5: Industrial Hydrogen Plants (Rule 13-5) and Amendments to Regulation 8: Organic Compounds, Rule 2: Miscellaneous Operations (Rule 8-2)

SCH Number: 2021070007

Project Location: Rule 13-5 and amendments to Rule 8-2 apply within the Bay Area Air Quality Management District jurisdiction, which includes all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, and the southern portions of Solano and Sonoma counties.

Project Description: Rule 13-5 limits vented emissions of total organic compounds (including both methane and other organic compounds) from hydrogen production, hydrogen carrying systems, and hydrogen end users such as process units at petroleum refineries. The Bay Area Air Quality Management District has a policy goal of reducing Bay Area greenhouse gas emissions to 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. Methane is a potent and short-lived climate pollutant with a global warming potential 86 times greater than that of carbon dioxide, when compared on a 20-year time horizon. The intent of Rule 13-5 is to minimize both methane and other organic compound emissions, which can be vented from atmospheric vents at petroleum refinery hydrogen plants during normal operating conditions, startups, shutdowns, malfunctions, upsets, and emergencies.

The amendments to Rule 8-2 add to the list of other operations not meeting the definition of miscellaneous operations those limited by Section 301 of Regulation 13: Climate Pollutants, Rule 5: Industrial Hydrogen Plants (Rule 13-5). This amendment has the effect of excluding those operations from Rule 8-2. Rule 13-5, section 301 contains a total organic compound (organic compounds including methane by definition) standard equal to that found in Rule 8-2 (15 pounds per day and 300 ppm). The standard in Rule 13-5 is at least as stringent as that found in Rule 8-2, because it limits total organic compounds (methane and other organic compounds) to the same levels found in 8-2 for total carbon (organic compounds excluding methane). Additional amendments to Rule 8-2 add language to the Manual of Procedures section of the Rule to allow other approved test methods for operations processing non-petroleum-based feedstocks. This amendment is consistent with recent amendments made to Air District rules and regulations associated with or referencing refinery operations.

Project Approval: On Wednesday, May 4, 2022, the Board of Directors of the Bay Area Air Quality Management District approved the project described above.

Environmental Impact Report (EIR): An EIR was prepared and certified for this project pursuant to the provisions of CEQA.

Significant Impacts: The Board of Directors of the Bay Area Air Quality Management District determined, based on substantial evidence in the record, that Rule 13-5 has the potential to create a significant adverse impact on air quality due to potential emissions of NOx from control equipment that cannot be mitigated to a level that is less than significant. Rule 13-5 involves specific considerations related to the need to reduce Greenhouse Gas (GHG) emissions and protect the environment that make the alternatives identified in the Final EIR that would avoid or substantially lessen the significant air quality impacts infeasible. The Board of Directors determined that the

climate change benefits from reducing GHG emissions as a result of adoption of Rule 13-5 outweigh the potential significant unavoidable impacts as provided in Guidelines Section 15093. Potential mitigation measures were considered but no feasible mitigation measures have been identified that could avoid the significant impact or reduce the impact to less than significant.

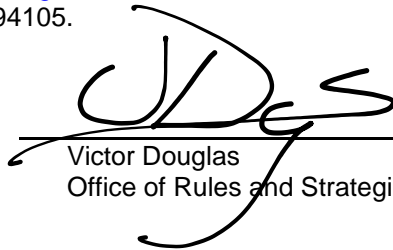
Mitigation Measures: Any new equipment needed to comply with Rule 13-5 would be required to comply with Best Available Control Technology requirements to minimize emissions from the source to the maximum degree feasible. Mitigation measures were not made a condition of this project. A mitigation reporting or monitoring plan was not adopted for this project.

Findings were made pursuant to CEQA Guidelines Section 15091.

A Statement of Overriding Considerations was adopted for this project.

A copy of the final EIR and record of project approval is available to be examined on the Air District's website at www.baaqmd.gov/ruledev and at the Air District office at 375 Beale Street, Suite 600, San Francisco, CA 94105.

Date Received for Filing



Victor Douglas
Office of Rules and Strategic Policy

May 4, 2022
Date