



Western States Petroleum Association

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Sue Gornick

Manager, Southern California Region

VIA ELECTRONIC MAIL

March 14, 2016

Dr. Philip Fine
Deputy Executive Officer
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

SUBJECT: WSPA COMMENTS REGARDING VOLUNTARY RISK REDUCTION PROGRAM AND PAR 1402

Dear Dr. Fine:

Western States Petroleum Association (WSPA) is a non-profit trade association representing twenty-five companies that explore for, produce, refine, transport and market petroleum, petroleum products, natural gas and other energy supplies in California, Arizona, Nevada, Oregon, and Washington. WSPA-member companies operate petroleum refineries and other facilities in the South Coast Air Basin that will potentially be affected by the changes to PAR 1402 as well as the proposed Voluntary Risk Reduction Program.

WSPA provides these comments in response to your invitation at the March 2, 2016 Working Group meeting to prepare initial thoughts on staff's proposal. We appreciate staff's efforts to develop the Voluntary Early Risk Reduction program and look forward to working with you to ensure its success.

Voluntary Risk Reduction Program (VRRP) Eligibility

According to staff's presentation, facilities that have a priority score greater than 10 and a previously approved HRA are eligible for the VRR Program. WSPA supports staff's proposed criteria for inclusion into the program since several WSPA members have been through the Health Risk Assessment (HRA) and risk reduction process at least once. WSPA is hopeful that participation in this streamlined program will serve to provide early and additional risk reductions that would otherwise not occur in the current regulatory structure.

VRRP Implementation Schedule

Staff's proposal indicates that the VRRP must identify how a facility will reduce its health risk in 2 years, or earlier. Facilities would be allowed up to two extensions that are two years each (i.e. maximum

allowable implementation 6 years). WSPA recommends that VRRP facilities be allowed up to 3 years, with one two year extension, to implement risk reduction measures. Granting the additional year for risk reduction implementation, yet reducing the number of extensions to one, will expedite reductions by one year (i.e. from 6 to 5 years). The benefit for VRRP participants is to allow an additional year for permitting, which can sometimes be lengthy, depending on the complexity of the projects being implemented. Additionally, we recommend that any public notification of an extension be similar to the original notification given when the facility entered the VRRP program.

VRRP Enforcement and New Risk Score

As currently proposed, the VRRP must be designed to achieve a Risk Score less than or equal to 10. WSPA understands from the Working Group that enforcement of the VRRP will likely mean compliance with the elements of the VRRP and not strictly to the actual Risk Score. WSPA supports this requirement because an approved VRRP would already have been designed (before final submittal) to meet a Risk Score less than 10.

Based on staff's presentation, the Risk Score is proposed to be based on the concept of the Priority Score with refinements. Although WSPA supports staff's intent to use the Risk Score to evaluate measures in the VRRP, we would like more details on its construction (i.e. is it a screening score or a simplified HRA? etc.). Please include WSPA in your efforts to develop this new risk measure.

Public Notification for VRR Participants

In addition to staff's proposal regarding public notification by SCAQMD to include information about the OEHHA Revised Guidance on estimating health risk, WSPA recommends it clearly specify that the increase in risk is due to an adjustment in risk factors used in calculating risk levels, and not due to emission increases.

PAR 1402 Proposed Revisions – New Health Risk Estimation Protocol for Categorizing Facilities

WSPA has reviewed staff's initial criteria for estimating health risk for categorizing facilities. It is described as using estimated risk from a previously approved HRA with adjustments to account for emissions, Revised OEHHA Guidance, modeling, ambient air monitoring data, source test data and emissions. As with the Risk Score, WSPA would like more details about how staff will estimate health risk for categorization since implementation of this step will impact which category a facility will be grouped under and whether or not it will be able to participate in the VRR program. Since the main goal of implementing this new VRR program is to obtain early and additional risk reductions, this new health risk estimation protocol is critical for its success.

PAR 1402 Proposed Revisions - Pre-ATIR (Air Toxics Inventory Report) Data Submittal

Staff is considering adding a provision that requires submittal of Pre-ATIR data for all categories of facilities that includes emission sources that will be included in the ATIR and the origin of the emission rates that the operator will use in the ATIR. WSPA would like clarification that source tests that would be required to be submitted would be limited to existing source tests for facilities that are grouped in Categories 1 or 2. In certain circumstances, new source tests could be required for facilities in Category 3.

Risk Reduction Plan Implementation Assessments

Although not specifically addressed in staff's proposal, WSPA recommends that successful implementation of risk reduction plans (i.e. VRRPs, RRP, EARPs, etc.) be assessed relative to the OEHHA risk factors and HRA guidance in effect at the time the plans were approved.

Thank you for your consideration of these comments and we look forward to the next Working Group meeting for further discussion.

Sincerely,

A handwritten signature in cursive script, reading "Suzanne E. Gornick".

cc: Susan Nakamura, SCAQMD