Air Products and Chemicals, Inc.
4000 Mac Arthur Boulevard
Suite 420 East Tower
Newport Beach, CA 92660
T 949-474-1860
www.airproducts.com

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Dr. Olga Pikelnaya
Program Supervisor
SCAQMD
opikelnaya@aqmd.gov

Heather Farr
Planning & Rules Manager
SCAQMD
Hfarr@aqmd.gov

RE: Rule 1180 - Applicability of Hydrogen facilities

Dear Olga & Heather,

Air Products is the only U.S.-based global industrial gas company and the world's largest hydrogen producer. Within California, the company safely operates 9 hydrogen production facilities, about 30 miles of hydrogen pipeline and currently supplies and operates a network of light-duty and heavy-duty hydrogen fueling stations. Air Products has committed to invest more than $15 billion to develop clean hydrogen supplies around the world, including in California. Air Products supports California's decarbonization efforts and has been selected to be part of the California ARCHES LLC Hydrogen Hub Project.

The proposed update to Rule 1180 makes several changes to the community fence line monitoring system program for communities and refineries, including expanding the program to include hydrogen facilities. The rationale for the inclusion of the two Air Products hydrogen facilities is unclear given they are not large toxic emitters.

While we appreciate the stated purpose of the rule is to, *"provide air quality information to the public about levels of various criteria air pollutants, volatile organic compounds, metals, and other compounds air pollutants, at or near the property boundaries of petroleum refineries and in nearby communities,"* our facilities are not large emitters of toxics as recognized by our reporting under AB2588, the Air Toxics "**Hot Spots**" Information and Assessment Act, that requires us to report the types and quantities of certain substances routinely released into the air. When Air Products reports its AB2588 emissions, SCAQMD has notified us that we are not a large emitter and therefore are not required to perform an AB2588 Health Risk Assessment.

As proposed, it is estimated that Rule 1180 would require Air Products to spend more than $10 million initially, and at least $2 million annually, to install and maintain fence line monitors when most of the pollutants listed in Rule 1180 are not expected to be present or emitted at our facilities.

We are captured in the proposed rule because we are adjacent to a refinery and provide more than 50 percent of our output to a refinery, not because we are a high emitter of toxics. The refineries use hydrogen to clean up gasoline, to remove sulfur and other impurities. Our facilities also provide hydrogen to automobiles and buses who use it as a zero emissions fuel.

The two Air Products' facilities that would be impacted by Proposed Rule 1180 – Carson and Wilmington, are already subject to robust requirements per our Title V permit and conditions. All the criteria pollutants that are subject to reporting and made public are a magnitude less than many industries from the OEHAA report of March 2019 and the individual criteria pollutants subject to this rule as reported on CARB.

We propose that the District consider adding an exemption in the rule for facilities that are not considered large toxic emitters under AB2588. This would create a rule that is focused on the problem of emissions by capturing facilities that are high toxic emitters on AB2588's Prioritization Score Threshold (i.e. Prioritization Score Threshold) without penalizing other facilities.

We appreciate your consideration of this request.

Sincerely,

JP Gunn
HyCO Business Director, California