

MINUTES APPROVED AT THE PC MEETING ON NOVEMBER 7, 2024

**PLANNING COMMISSION REGULAR MEETING
COUNCIL CHAMBERS, RICHMOND CITY HALL**

Council Chambers
April 18, 2024
6:30 p.m.

COMMISSION MEMBERS

Vacant	Jen Loy	Gay Timmons
Jonathan Harrison, Vice Chair	Alpa Agarwal	Alexander Golovets
Bruce Brubaker, Secretary	Aaron He	

The regular meeting was called to order by Secretary Bruce Brubaker at 6:30 p.m.

ROLL CALL

Present: Secretary Bruce Brubaker; Commissioner Aaron He; Commissioner Jen Loy; Commissioner Alexander Golovets

Absent: Vice Chair Jonathan Harrison; Commissioner Alpa Agarwal; Commissioner Gay Timmons.

INTRODUCTIONS

Staff Present: Planning Staff: Planning Manager Hector Rojas; Community Development Director Lina Velasco

MINUTES – November 16, 2023 and February 1, 2024 meetings.

ACTION: It was M/S/C (Loy, He) to approve the February 1, 2024 and November 16, 2023 minutes which carried by the following vote: 4-0-3 (Ayes: Brubaker, Loy, He, Golovets); Noes: None.

AGENDA

CONSENT CALENDAR –

Secretary Brubaker stated there were no Consent Calendar items on the Agenda.

[The Commission moved to the Brown Act – Public Forum]

BROWN ACT – Public Forum

Planning Manager Hector Rojas indicated there were no public commenters on Zoom and called for public speakers in person, there were none.

[The Commission moved to New Business]

STUDY SESSION

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1. **PLN23-206: Chevron Modernization Project Annual Compliance Report**

PRESENTATION on the Chevron Refinery Modernization Project Annual Compliance Report Pursuant to Condition Of Approval H5 Of Conditional Use Permit PLN11-089 at 841 Chevron Way/100 Chevron Way (APNs: 561-030-001; 561-030-002; 561-030-003; 561-030-005; 561-040-013; 561-040-014; 561-040-015; 561-040-016; 561-040-017; 561-080-001; 561-080-002; 561-080-003; 561-080-005; 561-080-006; 561-080-007; 561-090-003; 561-090-004; 561-100-003; 561-100-009; 561-100-010; 561-100-017; 561-110-020; 561-100-025; 561-100-037; 561-100-038; 561-100-042; 561-100-043; 561-100-044; 561-100-047; 561-100-048; 561-100-049; 561-110-022; 561-100-029; 561-110-034; 561-110-035; 561-110-036; 561-110-041; 561-110-044; 561-390-001; 561-390-003; 561-390-004; 561-390-016; 561-400-008; 561-410-002; 561-410-003). IG, Industrial, General District.

Chevron USA Inc., owner; Chevron Products Company, A Division Of Chevron USA Inc., applicant

Planner: Lina Velasco

Secretary Brubaker announced the item and called for staff's report.

Planning Manager Hector Rojas introduced Item 1 as PLN23-206: Chevron Modernization Project Annual Compliance Report pursuant to Condition of Approval H5 of Conditional Use Permit PLN11-089 and stated that Community Development Director Lina Velasco would be providing the presentation.

Community Development Director Velasco introduced Dr. Shari Beth Libicki, Ramboll's Global Air Quality Practice Area Leader and Sarah Manzano from consultant Ramboll and provided the presentation for the 6th related compliance report for this project. Most of the information will be related to the calendar year 2022.

Consultant Dr. Libicki stated the recommendation is to receive the annual compliance report and provide comments on the report. The applicants will be provided time to speak after the presentation. The project consisted of the construction of a new hydrogen plant and collection of new equipment improvements that remove naturally occurring sulfur contained in feedstocks processed at the facility, including modifications to the Refinery's exiting sulfur recovery units (SRU) and include infrastructure improvements to facility piping, utility lines and electrical systems. The project also included Project Design Features (PDFs) and mitigation measures to achieve no net increase in Criteria Air Pollutants (CAP) and toxic air contaminants (TACs) emissions and no physical increase in greenhouse gas emissions (GHG) emissions. The entire refinery is located on both sides of the highway with the wharf on the south side of the highway. The project takes place on the north side of the property. There are four phases of the project for the purpose of compliance that include Pre-Construction (Complete), Construction (Mostly Complete), Pre-Operations (Complete), and Operations (Ongoing). There were minimal construction activities in 2022. The old hydrogen plant dismantling began in 2022, the Tank dome on T-3189 was completed in first quarter of 2022, the GHG Construction mitigation project for the Marsh pump replacement was also completed at that time. Potential future construction includes modifications for the Fluid Catalytic Cracker Feed Hydrotreater (FCC FHT). All obligations have been met and verified by the compliance team for the construction phase of the project. Chevron will continue to submit quarterly reports until the construction is complete and tracks construction emissions using the Construction Emissions Module developed in conjunction with the City of Richmond's environmental consultant, Ramboll. Construction GHG emissions in 2022 were 12 Metric Tons CO₂e, which is equivalent to one to two households

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GHG. The third full year of operations for the new hydrogen plant and sulfur recovery improvements was in 2022. This is the fourth annual report on operational requirements. All obligations for the 2022 operational year were met and verified by the City Compliance team. There was no net increase in criteria pollutants and in health risk from TACs. There was no physical increase in GHG from the baseline. Facility utilization was 64%, below the 93% utilization scenario in the EIR that would trigger additional mitigation. Emissions are verified by the California Air Resources Board (CARB). There were small errors that began an exhaustive re-evaluation of compliance, and all of the errors were found to have not changed the overall findings of the compliance for the year 2022 or previous year reports. Those errors and any issues are detailed thoroughly in the staff report with the annual report. The city has confirmed that the Bay Area Air Quality Management District (BAAQMD) also receives flaring notifications if the hydrogen plant flares greater than 500,000 square cubic feet as required by Regulation 12 Rule 12-405. The City has concluded that the hydrogen plant flaring events are being monitored and regulated by the BAAQMD including review of root cause and corrective action.

Tom Leeds, Chevron Operations Manager of the desolation forming unit at the Chevron Richmond refinery thanked staff for the report, along with the consultants and the Commission for their collaborative work and professional partnership during this project. Chevron contributed over \$6 million dollars into the community last year to help support Richmond community programs through Chevron's Community Investment agreement. This brings the total invested per the agreement to \$76 million since 2014. There has been an 85% flare volume reduction at the hydrogen plant since 2019. The non hydrogen flares have also been reduced by 85% in 2022 compared to 2021 and was the lowest volume flared since 2018. Chevron continues to work towards lowering flare events further. The data in this report is for 2022, as the 2023 data has not yet been verified. The modernization project is a great example of how the carbon intensity can be greatly reduced in their products.

Commissioner Golovets inquired if the baseline emission numbers is an adjusted number or fixed number. Consultant Dr. Libicki responded it is a mass emissions rate and Chevron can meet that rate any way they choose including by lowering production. The emissions are lower than the ratio between the current usage and the future usage and is reflected by better technology. The place that doesn't show improvement is in VOCs because the VOC emissions are independent of usage, which is a product of how it's calculated.

Commissioner He asked if the baseline numbers are determined by the EIR. Dr. Libicki stated that is correct. The baseline was calculated by taking a 3-year average of the prior three years emission numbers.

Secretary Brubaker inquired if the consultant felt Chevron was living up to their commitment for air quality according to their agreement with the City. Dr. Libicki answered according to her knowledge base of the air quality industry, yes.

Secretary Brubaker confirmed the working relationship between Ramboll, the City, and Chevron. Dr. Libicki stated that Ramboll has been working for the City since 2011, and is paid by the City, presumably reimbursed by Chevron.

Secretary Brubaker commented it is good to see that the Marsh pumps are now fully electric and inquired what they do. Mr. Leeds, Chevron, answered that the Marsh pumps move water between different retention ponds throughout the plant.

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Secretary Brubaker inquired if BAAQMD was involved in the emissions calculations. Dr. Libicki responded that they receive the input data from the calculations. However, because the standards have evolved through the years, the consultant uses the same method of calculations so to not assume benefits or ramifications to Chevron for those different ways of calculating. BAAQMD is involved in the process.

Secretary Brubaker asked about the calculation error and who with the city was involved in the recalculating of the reviews. Dr. Libicki replied the consultants did the reviews. Community Development Director Velasco stated she has been overseeing the calculations and work of the consultants since she's been involved with the project for several years and explained the full annual report process.

Secretary Brubaker inquired if there were worker condition goals set forth for Chevron that were either met or not met. Ms. Velasco stated that according to the Environmental & Community Investment Agreement there is a target for local hire and procurement, those results can be found on the reporting website for Chevron.

PUBLIC COMMENTS

Secretary Brubaker noted there were no public comments in the room, Planning Manager Rojas stated there were no raised hands on Zoom and no cards were submitted in person.

[Secretary Brubaker closed the item]

COMMISSION BUSINESS

2. Election of Officers

Planning Manager Rojas stated the election committee produced a slate of nominations for officers, however the by-laws indicate that the elections are to be held in July.

3. Reports of Officers, Commissioners and Staff

Planning Manager Rojas stated there was nothing to report.

Commissioner Loy reported that Earth day is coming up and there are many Earth Day family events being held in Richmond. Please get out there and participate in these great events.

4. Adjournment - The meeting was adjourned at 7:05 p.m.

The next regular meeting is on May 2, 2024.