RESOLUTION NO. 19–19

A Resolution of the Governing Board of the South Coast Air Quality Management District (South Coast AQMD) Accepting the Proffered Voluntary Implementation of Additional Safety Enhancements for the Use of Modified Hydrofluoric Acid at the Torrance and Wilmington Refineries

WHEREAS, Modified Hydrofluoric Acid (MHF) Alkylation is used at the Torrance and Wilmington refineries within the South Coast Air Basin for the purpose of producing alkylate, a critical blending component of California Air Resources Board reformulated gasoline; and

WHEREAS, the Torrance Refinery is currently owned and operated by the Torrance Refining Company LLC (TORC); and

WHEREAS, the Wilmington Refinery is currently owned and operated by Ultramar Inc. (Ultramar); and

WHEREAS, pursuant to the City of Torrance Consent Decree, Case No. C 719 9530 (Torrance Consent Decree), issued by the Los Angeles Superior Court in 1990, and several subsequent court orders, the Torrance Refinery agreed to use MHF, a modified form of alkylate catalyst reformulated to significantly reduce safety risks associated with HF; and

WHEREAS, pursuant to a Memorandum of Understanding between the South Coast AQMD and Ultramar, dated February 12, 2003 (2003 MOU), the Wilmington Refinery agreed to use MHF; and

WHEREAS, during the more than two-year extensive public participation rule making process for PR 1410, additional information has been provided to the South Coast AQMD regarding the safety systems and risk mitigation measures currently in use at each of the Torrance and Wilmington Refinery alkylation units to reduce the risk and protect refinery personnel and the community; and

WHEREAS, the South Coast AQMD Governing Board has determined it is desirable, and each of the Torrance and Wilmington refineries is willing, to further reduce the overall risk of the use of MHF in the MHF alkylation units by implementing additional, voluntary safety enhancements and control measures; and

WHEREAS, TORC has submitted a proffer letter, dated August 30, 2019, (TORC Proffer Letter) pursuant to which it is committing to install significant voluntary safety enhancements in the Torrance Refinery's alkylation unit; and

WHEREAS, Ultramar has submitted a proffer letter, dated August 30, 2019, (Ultramar Proffer Letter) pursuant to which it is committing to install significant, voluntary new control measures in the Wilmington Refinery's alkylation unit; and

WHEREAS, the South Coast AQMD Governing Board has determined that the expeditious implementation of the safety enhancements set forth in the TORC Proffer Letter and the Ultramar Proffer Letter is in the best interest of all the stakeholders;

THEREFORE, BE IT RESOLVED that the South Coast AQMD Governing Board, in regular session assembled on September 6, 2019, does hereby accept the safety enhancements and control measures as proffered in the TORC and Ultramar Proffer Letters; and

BE IT FURTHER RESOLVED that the South Coast AQMD Executive Officer is directed to not continue with any PR 1410 rulemaking activities or other efforts seeking additional commitments from TORC or Ultramar regarding the use of HF or MHF; and

BE IT FURTHER RESOLVED that until the new safety enhancements and control measures are fully implemented by TORC and Ultramar as set forth in their respective Proffer Letters, the South Coast AQMD Executive Officer shall report back to the Refinery Committee annually on the progress of the implementation of the new safety enhancements and control measures at the Torrance and Wilmington Refineries; and

BE IT FURTHER RESOLVED that nothing in this resolution or in the South Coast AQMD Governing Board's acceptance of Ultramar's or TORC's respective Proffer Letters shall modify or alter the 2003 MOU or the Torrance Consent Decree.

AYES: Bartlett, Benoit, Burke, Buscaino, Delgado, McCallon, Robinson and Rutherford

NOES: Cacciotti, Hahn and Mitchell

ABSENT: Perez*

DATE: September 6, 2019 Denise Garzaro

Denise Garzaro, Clerk of the Boards

*The member appointed by the Governor is currently Vacant.