



VIA: ELECTRONIC MAIL ONLY (cob@aqmd.gov)

November 2, 2021

Chair Benoit and Members of the Board  
Governing Board  
South Coast Air Quality Management District

**RE: Governing Board Meeting Agenda Item No. 34: Adopt Proposed Rule 1109.1**

Dear Chair Benoit and Members of the Board:

For the Board's consideration of the above-referenced agenda item at the November 5, 2021, Governing Board Meeting, we remit the City of Cudahy's and the City of South Gate's Resolutions supporting a strong South Coast Air Quality Management District (SCAQMD) Proposed Rule 1109.1 to achieve NOx emission reductions from petroleum refineries and related operations.

The City of Cudahy's Resolution No. 21-28, adopted September 21, 2021, is attached to this letter as Exhibit 1. The City of South Gate's Resolution, adopted October 26, 2021, is attached as Exhibit 2.<sup>1</sup> These endorsements further support the need for a strong refinery rule.

Sincerely,

Byron Chan, Attorney  
Adrian Martinez, Attorney  
Oscar Espino-Padron, Attorney  
EARTHJUSTICE

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<sup>1</sup> The City of South Gate's Resolution was adopted at the South Gate City Council's October 26, 2021, meeting. Per the South Gate City Clerk, certifying and posting a resolution on the City's website can take up to one month after its adoption. A copy of the unsigned resolution is attached in place of the final resolution.

# **EXHIBIT 1**

City of Cudahy Resolution  
in support of Proposed Rule 1109.1

## RESOLUTION NO. 21-28

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA IN SUPPORT OF A STRONG SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT PROPOSED RULE 1109.1 TO ACHIEVE NOX EMISSION REDUCTIONS FROM PETROLEUM REFINERIES AND RELATED OPERATIONS**

WHEREAS, the South Coast Air Quality Management District ("Air District") is the regulatory agency responsible for improving air quality in the South Coast Air Basin;

WHEREAS, the South Coast Air Basin continues to be the most ozone-polluted in the country and fails to meet both state and federal ozone air quality standards;

WHEREAS, ozone has a range of respiratory health impacts, including lung irritation and inflammation, and can undermine lung formation in children;

WHEREAS, nitrogen oxide ("NOx") emissions from industrial operations contribute to the formation of ozone in the region;

WHEREAS, petroleum refineries and related operations (collectively "petroleum refineries") are one of the largest stationary sources of NOx emissions in the South Coast Air Basin;

WHEREAS, petroleum refineries have avoided installing available and life-saving pollution controls to reduce NOx emissions for decades through their participation in the NOx Regional Clean Air Incentives Market ("RECLAIM") program, a market-based emissions trading program administered by the Air District;

WHEREAS, the Air District is ending the RECLAIM program and developing Proposed Rule 1109.1 to transition petroleum refineries to a command-and-control regulatory structure;

WHEREAS, Proposed Rule 1109.1 will require petroleum refineries to install available and life-saving pollution controls to reduce NOx emissions;

WHEREAS, Proposed Rule 1109.1 is expected to reduce NOx emissions from petroleum refineries by 6.5 to 8 tons per day;

WHEREAS, Proposed Rule 1109.1 is necessary for the South Coast Air Basin to meet state and federal ozone air quality standards;

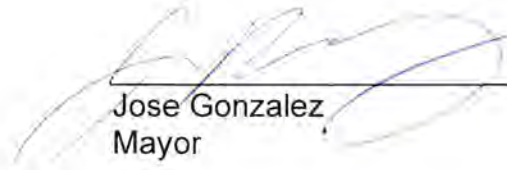
WHEREAS, Proposed Rule 1109.1 will finally provide much needed emission reductions for communities at the fenceline of petroleum refineries and communities throughout the South Coast Air Basin.

**NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, AS FOLLOWS:**

SECTION 1. Based on the above recital and other information provided by City staff at the City Council's Meeting of September 21, 2021, the City Council hereby endorses the South Coast Air Quality Management District's Proposed Rule 1109.1.


SECTION 2. This resolution shall take effect upon adoption. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Cudahy at the regular meeting of this 21<sup>st</sup> day of September 2021.



\_\_\_\_\_  
Jose Gonzalez  
Mayor

ATTEST:



\_\_\_\_\_  
Richard Iglesias  
Assistant City Clerk

**CERTIFICATION**

STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    )  
CITY OF CUDAHY             )        SS:

I, Richard Iglesias, Assistant City Clerk of the City of Cudahy, hereby certify that the foregoing Resolution No. 21-28 was passed and adopted by the City Council of the City of Cudahy, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 21<sup>st</sup> day of September 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:                    Lozoya, Lomeli, Alcantar, Gonzalez  
NOES:                    None  
ABSENT:                 None  
ABSTAIN:                Guerrero

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of the City of Cudahy, this 22<sup>nd</sup> day of September 2021.

  
Richard Iglesias  
Assistant City Clerk

# **EXHIBIT 2**

City of South Gate Resolution  
in support of Proposed Rule 1109.1

OCT 13 2021

5:10 pm

# City of South Gate

CITY COUNCIL

## AGENDA BILL

For the Regular Meeting of: October 26, 2021

Originating Department: Public Works

Department Director:

  
Arturo Cervantes

Interim City Manager:

  
Chris Jeffers

**SUBJECT: RESOLUTION SUPPORTING SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT PROPOSED RULE 1109.1 TO ACHIEVE NOX EMISSIONS REDUCTIONS FROM PETROLEUM REFINERIES AND RELATED OPERATIONS**

**PURPOSE:** Mayor Rios and Vice Mayor Avalos requested that the City Council consider adopting a resolution in support of the South Coast Air Quality Management District Proposed Rule 1109.1 which requires refineries and related facilities to install widely available and cost-effective pollution control equipment that reduces harmful air pollutants, such as nitrogen oxides, in communities already overburdened by toxic emissions.

**RECOMMENDED ACTIONS:** The City Council will consider:

- a. Adopting a Resolution in support of the South Coast Air Quality Management District Proposed Rule 1109.1; and
- b. Authorizing the Mayor to execute the Resolution in a form acceptable to the City Attorney.

**FISCAL IMPACT:** None.

**ANALYSIS:** None.

**BACKGROUND:** At the September 28, 2021, Council meeting, representatives from Earth Justice made a presentation on the proposed AQMD Rule 1109.1. Since this was not an action item for consideration, Mayor Rios and Vice Mayor Avalos requested that if be agendized for Council discussion and possible action.

The South Coast Air Quality Management District Proposed Draft Rule 1109.1 entitled "Emissions of Oxides of Nitrogen from Petroleum Refineries and Related Operations," [<http://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules/rule-1109-1#>] incorporated herein by reference, will require refineries and related facilities to install pollution control equipment that reduces harmful air pollutants, such as nitrogen oxides (NOx), in communities already overburdened by toxic emissions. The Refinery Rule is necessary because the prior industry-backed market-based system, known as RECLAIM, failed to clean up our air. The Refinery Rule implements a "command-and-control" system in place of RECLAIM that will provide much-needed relief for communities as it will ensure that refineries actually control their dangerous emissions.

For decades, petroleum refineries have avoided installing life-saving pollution controls through their participation in the RECLAIM program. This program allowed facilities to either buy RECLAIM Trading Credits or install pollution controls to achieve the maximum amount of emission reductions from their operations. Unfortunately, RECLAIM has not been effective in getting refineries and related facilities to

control NOx pollution because it was cheaper for refineries to buy pollution credits than it was to install life-saving pollution controls. In fact, 88% of pollution-emitting equipment at these facilities does not meet applicable air emissions limits. Under the Refinery Rule, over 200 pieces of equipment will need to be upgraded or modified, including heaters, boilers, gas turbines, and flares, among others. Some of this equipment was originally installed decades ago, some as far back as the 1960s.

NOx is harmful to people's health and the environment. Exposure to NOx can cause a range of symptoms, including fatigue, headache, abdominal pain, strained breathing, lung disease, and increased risk of respiratory infection in children. NOx also combines with volatile organic compounds to create ozone. The South Coast Air Basin continues to be the most ozone-polluted region in the country and fails to meet both state and federal ozone air quality standards. Breathing elevated levels of ozone can cause chest pain, coughing, throat irritation, reduced lung function, damage to lung tissue, and exacerbation of certain conditions, such as asthma, bronchitis, and emphysema. Thus, significant NOx pollution from petroleum refineries worsens the levels of lung-burning ozone that harm individuals, particularly children and the elderly.

Petroleum refineries are among the largest stationary sources of air pollution in the South Coast Air Basin. The refineries and refinery-related facilities that will be subject to the Refinery Rule emit over 60% of the total NOx emissions released by all sources in the RECLAIM program.

As part of its rulemaking, the South Coast Air Quality Management District conducted a Socioeconomic Impact Assessment of the Refinery Rule to evaluate its impacts on regional jobs and health. The assessment found that the Refinery Rule will have a positive job impact. From 2022 to 2032, the Refinery Rule will create an average of 1,837 jobs annually. Specifically in 2032, the rule will create about 4,435 additional jobs. For health impacts, the Refinery Rule will result in about 6,200 fewer asthma attacks and nearly 21,400 fewer work loss days between 2023 and 2037. The monetized value of these health benefits ranges from \$2.6 to \$3.5 billion.

- ATTACHMENTS:**
- A. Proposed Resolution
  - B. Prop Rule 1109.1 Fact Sheet

AM:lc



**RESOLUTION NO.**

**CITY OF SOUTH GATE  
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, IN SUPPORT OF A STRONG SOUTH COAST AIR  
QUALITY MANAGEMENT DISTRICT PROPOSED RULE 1109.1 TO  
ACHIEVE NOX EMISSION REDUCTIONS FROM PETROLEUM  
REFINERIES AND RELATED OPERATIONS**

**WHEREAS**, the South Coast Air Quality Management District (“Air District”) is the regulatory agency responsible for improving air quality in the South Coast Air Basin;

**WHEREAS**, the South Coast Air Basin continues to be the most ozone-polluted in the country and fails to meet both state and federal ozone air quality standards;

**WHEREAS**, ozone has a range of respiratory health impacts including lung irritation and inflammation, and can undermine lung formation in children;

**WHEREAS**, nitrogen oxide (“NOx”) emissions from industrial operations contribute to the formation of ozone in the region;

**WHEREAS**, petroleum refineries and related operations (collectively “petroleum refineries”) are one of the largest stationary sources of NOx emissions in the South Coast Air Basin;

**WHEREAS**, petroleum refineries in general have avoided installing available and life-saving pollution controls to reduce NOx emissions for decades through their participation in the NOx Regional Clean Air Incentives Market (“RECLAIM”) program, a market-based emissions trading program administrated by the Air District;

**WHEREAS**, the Air District is ending the RECLAIM program and developing Proposed Rule 1109.1 to transition petroleum refineries to a command-and-control regulatory structure;

**WHEREAS**, the Air District Proposed Draft Rule 1109.1 entitled “Emissions of Oxides of Nitrogen from Petroleum Refineries and Related Operations,” [<http://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules/rule-1109-1#>] incorporated herein by reference, will require petroleum refineries to install available and life-saving pollution controls to reduce NOx emissions;

**WHEREAS**, Proposed Rule 1109.1 is expected to reduce NOx emissions from petroleum refineries by 6.5 to 8 tons per day;

**WHEREAS**, Proposed Rule 1109.1 is necessary for the South Coast Air Basin to meet state and federal ozone air quality standards; and

**WHEREAS,** Proposed Rule 1109.1 will finally provide much needed emission reductions for communities at the fenceline of petroleum refineries and communities throughout the South Coast Air Basin.

**NOW THEREFORE, THE CITY COUNCIL FOR THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council does hereby declare that the recitals set forth above are true and correct and are incorporated herein by reference.

**SECTION 2.** Based on the above recital and other information provided by City staff at the City Council Meeting of October 26, 2021, the City Council hereby endorses the South Coast Air Quality Management District's proposed Rule 1109.1.

**SECTION 3.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of **October 2021.**

**CITY OF SOUTH GATE:**

By: \_\_\_\_\_  
Al Rios, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, City Attorney