



Air Resources Board



Matthew Rodriguez
Secretary for
Environmental Protection

Mary D. Nichols, Chair
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Edmund G. Brown Jr.
Governor

July 5, 2017

Ms. Lina Velasco
Senior Planner
Planning and Building Services Department
City of Richmond
450 Civic Center Drive, Second Floor
Richmond, California 94804

Dear Ms. Velasco:

Thank you for providing the California Air Resources Board (CARB) staff the opportunity to comment on the Initial Study/Mitigated Negative Declaration (IS/MND) for the City of Richmond Terminal 3 Log Storage and Shipping Facility (Project).

The City of Richmond (Lead Agency) has prepared an IS/MND to assess the proposed Project's potential effects on the environment and an appraisal of the significance of those effects. Based on the IS/MND, the Lead Agency has determined that the proposed Project will not cause significant effects on the environment after implementation of their mitigation measures. Based on our review of the IS/MND, CARB staff disagrees with the findings of the MND, and believes the proposed Project may have significant and unmitigated impacts, due to the underestimated operational air quality emissions impacts.

Project Description and Background

The proposed 12.4-acre Project site is located within the Port of Richmond. RJJ International, the project applicant, proposes to develop and operate a log export facility at Terminal 3, located in the Port of Richmond. The proposed facility would receive logs (with and without bark) via truck from West Sacramento. It is estimated that 100 trucks per week will enter through the new facility gate to the north, trucks will be weighed, and then proceed to the staging area for unloading and if necessary, debarking. It is estimated that six ships a year will arrive at Terminal 3 (one ship every five weeks during the logging season from April through November). Each ship is estimated to berth at the terminal for 10 days while logs are loaded onto ships for export to China. In addition, it is estimated that there will be one or two trucks a day to haul away the debarked wood debris.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

California Environmental Protection Agency

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This document is a revised IS/MND, originally released in April 2016. The proposed Project evaluated in 2016 assumed that ships would utilize the existing shorepower at Terminal 3; however, the ships used for this operation are not shorepower equipped. Furthermore, the Lead Agency received several comment letters from adjacent businesses, including property owners of the Ford Building, expressing concerns over the debarking process due to the release of fugitive dust emissions and related noise. The revised IS/MND includes operational changes and mitigation measures to mitigate the fugitive dust (MM AQ-1 – 8).

Air Quality Impacts

The IS/MND estimates the proposed Project NO_x emissions at 53.3 pounds per day, just below the Bay Area Air Quality Management District's (District) threshold of significance of 54 pounds per day. However, CARB staff estimate that the NO_x emissions would likely exceed this threshold. The vessel main engine emissions contribute the majority of the NO_x emissions from the proposed Project. These emissions would occur during the time the six vessels transit to and from the facility (two days per vessel for a total of 12 days of transiting). However, in the IS/MND these emissions are averaged over the 160-day annual logging season. CARB staff believe these emissions should more appropriately be calculated over the 12 days the vessels are expected to operate their main engines, or at a minimum, the 60 days the vessels are in the air district. In addition, the NO_x emission factor for the main engine is listed at 13.2 grams per kilowatt-hour (g/kw-hr), which seems too low for the typical slow-speed two-stroke engines that generally propel ocean-going vessels. While we don't know which particular vessels are expected to call at the facility, we would estimate the emissions from a typical main engine on an ocean-going vessel at 18 g/kw-hr for a Tier 0 (up to model year 2000) engine, 17 g/kw-hr for a Tier I (2000 to 2010) engine, or 14.4 g/kw-hr for a Tier II (2011-2015) engine. There are few Tier III engines currently in operation (these engines are limited to 3.4 g/kw-hr in Emission Control Areas which would include this project area). Furthermore, even if the proposed Project emissions do not exceed the District's threshold for particulate matter, they will contribute to cumulative impacts in the region.

The adequacy of an IS/MND is reviewed under the "fair argument" standard. Under this standard, a negative declaration is invalid if there is substantial evidence in the record supporting a fair argument that a project may have a significant effect on the environment. (*Gentry v. City of Murrieta* (1995) 36 Cal.App.4th 1359, 1399).

An IS/MND is also invalid if the agency fails to undertake a fact-based investigation of a project's potential environmental impacts. The California Environmental Quality Act (CEQA) places the burden of environmental investigation on the public agency rather

than on the public. If an agency fails to fully evaluate a project's environmental consequences, it cannot support a decision to adopt a negative declaration by asserting that the record contains no substantial evidence of a significant adverse environmental impact. (See *Sundstrom v. County of Mendocino* (1988) 202 Cal.App.3d 296, 311.) If an agency has failed to study a potential environmental impact, a reviewing court may find the existence of a fair argument of a significant impact based on limited facts in the record that might otherwise not be sufficient to support a fair argument of a significant impact. (See, e.g., *Sundstrom v. County of Mendocino* (1988) 202 Cal.App.3d 296, 311.) In this case, the IS/MND fails to adequately study the air quality impacts from operations when emission sources are actually present. Without proper analyses, it is impossible to understand the project's air quality impacts.

Recommendation

CARB staff recommends that the Lead Agency require the project applicant to revise the air quality assessment and recirculate the IS/MND for public comment. Furthermore, if the results exceed the District's thresholds, the Lead Agency should require mitigation to minimize these impacts to a less than significant level. If these impacts cannot be mitigated to less than significant levels, then an Environmental Impact Report is required.

The majority of the NOx and diesel particulate matter emissions from the proposed Project are expected to come from the ocean-going vessels, as estimated in Table AQ-3 of the IS/MND. CARB staff believes that the District's NOx threshold would be exceeded; therefore, the Lead Agency should propose measures to mitigate these emissions. Thus, CARB staff recommends the mitigation measures should focus on reducing emissions from these vessels, as seen below.

Mitigation Measures

- 1) The Lead Agency should require tenants to utilize control strategies to reduce emissions from the auxiliary engines or boilers while the vessels are at berth. This can be achieved through leasing agreements. Possible strategies include the use of shoreside electrical power (Terminal 3 already has this capability), or capture and control systems. These systems use ducting to route vessel stack emissions to either barge-based or land-based emission control systems; two are currently in use in the San Pedro Bay. The Lead Agency should also be aware that CARB staff is currently considering amendments to the Ocean-going Vessels At-Berth Regulation (At-Berth Regulation). These proposed amendments are expected to include the addition of vessel types not currently covered by the At-Berth Regulation, including bulk vessels (which would typically

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carry logs). CARB staff are also considering the inclusion of additional ports and terminals not currently subject to the At-Berth Regulation. In light of these potential changes, CARB staff encourage the Lead Agency to be proactive in developing strategies to control vessel emissions at the Port of Richmond. For more information on the At-Berth Regulation and future regulatory activities, please visit CARB's website at <https://www.arb.ca.gov/ports/shorepower/shorepower.htm>.

- 2) The Lead Agency should require tenants to implement procedures to use the cleanest possible vessels to export logs from the facility. This can be achieved through leasing agreements. For example, newer vessels using Tier II (or Tier III) main and auxiliary engines would result in significant NOx emission reductions. If the tenant cannot ensure cleaner ships to call on this facility, then the Lead Agency should require the use of capture and control systems during transiting and/or hoteling to reduce the ship emissions.

Closing

Given the proximity and upwind location of the proposed Project to the neighboring Richmond community, we urge you to ensure that the community is not adversely impacted by the proposed Project. The latest health science tells us that we must be even more vigilant to protect children, who experience higher doses and are more sensitive to air pollution than previously understood. CARB staff appreciates the opportunity to comment on the IS/MND for the proposed Project and is available to work with the Lead Agency to address these issues and any other questions that may arise.

Please include CARB on your State Clearinghouse list of selected State agencies that will receive future CEQA documents as part of the comment period. If you have questions, please contact Robbie Morris, Air Pollution Specialist, Exposure Reduction Section, at (916) 327-0006 or via email at Robbie.Morris@arb.ca.gov.

Sincerely,



Richard Boyd, Chief
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cc: See next page.

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