California Environmental Quality Act (CEQA)

NOTICE OF EXEMPTION

TO: **Contra Costa County**
County Clerk-Recorder
555 Escobar Street
Martinez, CA 94553

FROM: **Bay Area Air Quality Management District**
375 Beale Street, Suite 600
San Francisco, CA 94105

SUBJECT: FILING OF NOTICE OF EXEMPTION PURSUANT TO CEQA § 21152(b) AND CEQA GUIDELINES § 15062.

Project Title: **Phillips 66 Company – Modification of Permit to Operate for Silt Loading Factor, Sources 602, 603, and 605 (Air District Application 730535).**

Public Agency Approving Project (Lead Agency): Bay Area Air Quality Management District (Air District), 375 Beale Street, Suite 600, San Francisco, CA 94105. Contact Person: Emily Schwartz, Air Quality Engineer; Telephone: (415) 749-4912, Email: eschwartz@baaqmd.gov

Project Applicant and Entity Carrying Out Project: Phillips 66 Company.

Project Applicant Mailing Address: 1380 San Pablo Avenue, Rodeo, CA 94572.

Project Applicant Contact Person: Amit Palkar, Senior Environmental Consultant, Phillips 66 Company; Telephone: (510) 245-4632, Email: Amit.J.Palkar@P66.com

Project Location: 1380 San Pablo Avenue, Rodeo, Contra Costa County, CA, 94572. Nearest cross street is (internal) Road 8 and M Street.

Project Description:

The Air District has issued a modification to the Permit to Operate for the following sources:

S-602 Filter Aid Storage Silos (9)

S-603 Polyethylene Removal Filter Aid Day Hoppers (4)

S-605 Filter Aid Adsorption Day Hoppers (3)

Air District Application 31157 authorized the Rodeo Renewed Project (RRP), which proposed repurposing the Rodeo Refinery to process renewable feedstocks into renewable fuels. As part of that application, Phillips 66 was required to conduct a test to demonstrate compliance with the 0.32 g/m^2 silt loading factor for fugitive dust emissions from traffic on paved roads.

The test was conducted on December 6, 2024, and the results indicated that the silt loading factor exceeded the permitted limit of 0.32 g/m^2. Therefore, Phillips 66 submitted Air District Application 730535 to revise the permitted silt loading factor in Part 17 of Permit Condition 27646 to 0.62 g/m^2.

Emissions include fugitive dust which are a type of particulate matter (PM_{10} and $PM_{2.5}$). The new silt loading factor increases PM_{10} emissions from 0.200 to 0.365 tons per year (tpy) and $PM_{2.5}$ emissions from 0.050 to 0.091 tpy. The initial estimates of the contemporaneous emission reduction credits (CERCs) from Air District Application 31157 equaled more than the full incremental cumulative increase for the RRP project for PM emissions. Therefore, there was an excess of 3.836 tpy of PM_{10} and 3.985 tpy on $PM_{2.5}$. The initial estimates of CERCs were verified by Air District staff. However, the actual CERCs are based on the future shutdown dates and per Permit Condition 27646, the final CERCs will be adjusted based on the baseline period ending date when the emission reduction becomes enforceable. The final estimated CERCs from the shutdown sources (S-29, S-30, S-36, S-351, S-1002, and S-1002) are 5.808 tpy of PM_{10} and 5.808 tpy of $PM_{2.5}$. Thus, the increase in PM_{10} and $PM_{2.5}$ emissions will be offset using these CERCs. While S-602, S-603, and S-605, have toxic air contaminant (TAC) emissions, specifically of respirable silica, from material handling operations, there are no TACs associated with fugitive dust from vehicle travel on paved roads. Therefore, a Health Risk Assessment (HRA) is not required.

Finding of Exemption:
This permit action is exempt from CEQA because the project is a ministerial action (Public Resources Code Section 21080(b)(1) and CEQA Guidelines Section 15268(a)).

Reasons for Exemption:
Approval of this permit application is not subject to CEQA because it is ministerial. The Air District's regulatory requirements that governed the approval of this project did not allow for any subjective judgement related to whether or how the project may be carried out. The project complied with objective numerical standards in air permitting/engineering reference materials. These fixed standards do not allow for or require any subjective judgment or discretion to interpret or apply. The Air District is legally compelled to approve the project where it complies with such standards. In addition, a Best Available Control Technology (BACT) determination was not required, since BACT was not triggered. Thus, the Air District's action was ministerial.

Fred Tanaka for

Pamela J. Leong
Director of Engineering
Bay Area Air Quality Management District

July 16, 2026
Date