Assembly Bill 617: Case Study Brief

Richmond/North Richmond/San Pablo: Community Mobilization in the Refineries' Shadow







2025



KEY TAKEWAYS

Community Context:

• The AB 617 communities of Richmond/ North Richmond/ San Pablo are affected by severe air pollution from refineries, highways, port and other industrial facilities.

Key Successes:

• Development of a strategy to craft a Community Benefits Policy (CBP) that would allocate fines from oil refinery violations is a major step toward cleaning local pollution sources and addressing emissions impacts.

Key Challenges:

• Long-term power disparities between refineries and local communities leads to continued tension between environmental, industry, and labor interests.

Lessons Learned:

• There has been a significant value of shifting from a District-appointed Community Steering Committee (CSC) to a community-driven CSC.

PREFERRED CITATION

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COMMUNITY BACKGROUND

West Contra Costa County is characterized by a high density of large industrial and transportation-based pollution sources, resulting in a disproportionately high health burden experienced by local residents. Many of these residents are low-income people and people of color, including a rich array of immigrants from around the world. Among the main sources of pollution are the Chevron refinery, railroad tracks (often carrying coal and other polluting cargo), the Interstate 80 freeway, and the port.

Based on these environmental and social vulnerability factors, the Bay Area Air Quality Management District (BAAQMD) applied for the inclusion of these communities in AB 617. In September 2018, CARB approved Richmond and San Pablo for the development and implementation of a Community Air Monitoring Plan (CAMP). Residents, with the assistance of BAAQMD and CARB, formed a Design Committee, followed by a Community Steering Committee (CSC) to develop the CAMP. Based on community input, BAAQMD expanded the boundaries to include the City of San Pablo and the unincorporated community of North Richmond.



Figure 1. Map showing the boundaries of the Richmond/North Richmond/San Pablo AB 617 community. Source: Bay Area Air Quality Management District.



Figure 2. Fenceline residential homes are located next to the Chevron refinery. Photo credit: Manuel Villa.

Following the development and implementation of their CAMP, in 2022, Richmond/ North Richmond/ San Pablo was selected to implement a Community Emissions Reduction Plan (CERP). In April 2024, the Richmond/ North Richmond/ San Pablo CSC voted to approve their comprehensive CERP called the Path to Clean Air (PTCA). This plan outlines various strategies aimed at achieving cleaner and healthier air for the West Contra Costa County communities. The plan is centered around five community priority concerns: Commercial and Industrial Sources Near Community; Fuel Refining, Support Facilities, Storage, and Distribution; Public Health and Reducing Exposure; Marine and Rail; Vehicles and Trucks, Streets and Freeways, Warehouses and Logistics; Odors and Smells from Industry. In May 2024, the PTCA plan received approval from the BAAQMD Board of Directors followed by CARB's approval in November 2024.

CHALLENGES

Process

One of the most difficult challenges for the Richmond/ North Richmond/ San Pablo CSC has been navigating the political and economic power of the refineries and other industries in the community. As a company town that grew up in the shadows of the Chevron refinery (founded in 1905, three years after the establishment of the refinery) the company holds significant sway over local development and politics. This has spurred both dependence on and resentment of the company. This corporate influence was particularly visible in the pre-CSC Design phase, in which Chevron employees played influential roles, provoking great opposition from community residents and organizations. In turn, this has played out in the distrust of Chevron's participation in the CSC (resulting in the voting during the Design phase to recommend that the BAAQMD board make the seats designated for business as nonvoting members). Likewise, after generations of struggle, many local residents do not always trust the local governments (cities, county and BAAQMD) to have the capacity and political will to hold Chevron and other local industries accountable. One final challenge is the split position of the refinery labor force which is both critical of their employer for what they see as unsafe working conditions and risks to the community on the one hand, and concern for the livelihood if the refinery is closed. This makes "blue-green" alliances with local environmentalists particularly challenging.

If we don't really look at the biggest polluters which are the corporations right here in our backyard, I don't know if we will reduce pollution the way we need to.

- CSC Member

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Outcomes

There are three main challenges that the proposed CERP strategies face. First, the technical complexity of industrial processes in the refinery sector has made creating and enforcing specific pollution reduction elements of the CERP more difficult. Second, these same sectors will demand a large and continuing investment in rulemaking, rule amendments, and rule enforcement. Fortunately, the proposed Community Benefits Policies (CBP) (described below) have the potential to provide resources at this scale if effectively implemented. Third is the need for robust collaborative partnerships in a historical context of low trust. In the case of the refinery strategies, such as "Reducing Persistent Flaring" and "Improving Incident Response," BAAQMD, CARB, and local governments must continue to build collaborative partnerships for successful implementation.

SUCCESSES

Process

After several years of tension between community leaders and BAAQMD over the autonomy of the CSC, in 2023, the CSC proposed a community-driven approach, led by three new community co-chairs. This was distinct from the earlier approach that included two community co-chairs with little formal authority. Based on the CSC's proposed changes to its Charter, it would no longer be a Brown Act-based committee.¹As such, it could now set its own voting and other governance rules. Based on their decision, only residents and community organization representatives were allowed to vote for the three new three co-chairs leadership team, marking a significant shift in the CSC's organizational structure. These changes were supported by BAAQMD's board and now guide the engagement of BAAQMD staff with the CSC.

The origins of the decision to establish this community-led autonomy can be seen in a statement from a CSC member, "I would say when I first entered AB 617 and was told that it was a community-centered, community-driven plan, I did not find that. I felt that our district staff was very lacking in their approach to enable and empower our community to do something as simple as agenda-setting. Air District was creating agendas. Co-leads were reviewing it." This situation pushed CSC members to seek options where they could drive the process. "The air district wanted to be in every single meeting…and I started holding meetings without air district staff, with CSC members because I felt like they were overstepping community…. 'You're killing our imagination. You're killing our drive and our motivation."

The high standards for community-driven governance bolstered by what some observers have called a powerful "civic hub" of community leaders has become a hallmark of the Richmond/ North Richmond/ San Pablo CSC. This community power was evident in the high degree of community authorship across multiple sections of the PTCA, managed through six active ad-hoc committees.

Outcomes

The Richmond/ North Richmond/ San Pablo CERP is notable for its inclusion of a strategy to create a Community Benefits Policy (CBP) that would allocate funds raised from violation fines levied against the refinery and other area industries to fund locally-focused emissions reductions and mitigation. FR 3.9 Strategy 3 in the Path to Clean Air is "Hold Chevron and Other Emitters Accountable for Reducing Pollution and Negative Public Health Impacts from their Operations." It commits BAAQMD to develop a CBP within one year that will allocate 100% of refinery penalties to the PTCA area; this is to be followed by the development of a CBP to expand the Fuel Refining Community Benefits Policy (CBP) to cover the full PTCA area.²

Part of the intended policy will include retroactive application of the February 2024 settlement agreement between Chevron and BAAQMD over the Air District's enforcement of Rule 6-5, which reduces the largest sources of particulate matter from petroleum refinery fluidized catalytic cracking units (FCCUs). Chevron is to pay into the Community Air Quality Fund, initiated with \$20 million and supplemented annually by \$3.5 million. Additionally, Chevron will pay into a separate fund of \$20 million for 678 violations in the past years (222 of which are related to flaring). The Community Air Quality Fund will finance projects aimed at reducing PM exposures in the communities impacted by the refinery.

A related innovation of the Richmond/ North Richmond/ San Pablo CERP is a Just Transitions plan with the state's ambitious goal of moving away from a fossil-fuel-dependent economy. It also aligns with strategies to assist workers in obtaining high-quality jobs in other sectors, ideally in the "green economy." Even more transformative is a commitment to managed phase-down of fossil fuels in the fossil fuel-centric PTCA area (F.R 1.1) This will include creating a Just Transition subcommittee that will establish principles and criteria used in the implementation of the relevant strategies. This is stated in FR 1.2. "Incorporate Just Transition Principles and Criteria in the prioritization and implementation of the PTCA Plan and explore incorporating these in governmental policymaking and rulemaking. As part of this process, the CSC has sought to build collaborative relationships with the United Steel Workers, which represents many refinery workers. As noted above, distrust of environmentalists by many workers makes this alliance challenging, but also necessary for the success of the CERP.

The PCTA has several other notable strategies that demonstrate that address pressing community health and well-being concerns. Among them are the following. Two mobile source strategies promote a new model policy/ ordinance for zero-emission operations (Mobile 1.2) and a new magnet/ indirect source rule (Mobile 1.4). Two refinery-related strategies call for a collaboration between the BAAQMD, the CSC, and the City of Richmond to strengthen the city's Industrial Safety Ordinance (F.R. 2.1) and one commits the BAAQMD to new rule-making on flaring. To address the often-missing element of land use the PCTA calls for supporting the Contra Costa County's General Plan's alignment with the CERP (LU 1.1).

LESSONS LEARNED

Process

Communities involved in AB 617 and other similar programs across the country can draw several lessons from the case of Richmond/ North Richmond/ San Pablo. First, governance matters. The Richmond/ North Richmond/ San Pablo communities have struggled to develop a governance structure that meets their needs, especially the drive of local leaders to center community voice and decision-making. Determining an appropriate role for all partners, especially industry, the air district, local governments, community organizations, and residents is a crucial step. This took Richmond/ North Richmond/ San Pablo several years to develop a new framework and is still a work in progress. Second, building strategic alliances such as between labor and environmentalists is challenging but critical for innovative and equitable plans such as a movement towards a Just Transition.

Outcomes

One of the major lessons learned from the Richmond/ North Richmond/ San Pablo case is the value of thinking big and outside of the box. This is illustrated by PCTA's strategy to develop a Community Benefits Policy, which has the potential to transform an enforcement mechanism into a focused community development investment strategy. This has the prospect of allocating tens of millions of dollars to community exposure protection as well as creating an incentive for the industry to improve its practices and reduce emissions.

With the recent approval of the PTCA, the Richmond/ North Richmond/ San Pablo CSC will prioritize Year 1 planning of implementation of the Plan's strategies. This will include establishing subcommittees such as the Just Transitions subcommittee as well as continuing previous ad hoc committees such as the Fuel Refinery committee. Addressing how to carry out the Community Benefits Policy will be a key point of discussion moving forward. Additionally, there are active discussions around community engagement and outreach, and improved resident recruitment activities to bring more members of the community to participate in the CSC.

ENDNOTES

¹ For a presentation on the shift from a Brown Act-based to a community-driven CSC see: <u>https://www.baaqmd.gov/~/media/files/board-of-</u> <u>directors/2023/brd_presentation_04052023_op-pdf.pdf?</u> <u>rev=dc4e851f3cd447a9a48539b49fbed782&sc_lang=en</u>.

²For information on the settlement of Chevron and Martinez Refining Company's lawsuit against BAAQMD on their emissions reduction Regulation 6, Rule 5, see:

https://www.baaqmd.gov/~/media/files/communications-and-outreach/publications/newsreleases/2024/021324_announcement.pdf? rev=91161901e1c349ea9e0f28172cd91c40&sc lang=en.

³For information on community input on the CBP, see: <u>https://www.baaqmd.gov/~/media/files/board-of-directors/community-advisory-council/2024/cac_min_032124-pdf.pdf?</u> <u>rev=cf00f6b182b042638868e36586f31627&sc_lang=en</u> and <u>https://www.baaqmd.gov/~/media/files/board-of-directors/2024/fac_presentations_041724_op-pdf.pdf?</u> rev=a2bbeeabd89b484aad9a06545e9f5f71&sc_lang=zh-tw.

⁴For information about the history of flaring events and other violations by Chevron see: <u>May</u> <u>20 2024_PTCA CERP CSC PowerPoint Presentation.pptx</u>.