



March 9, 2016

The Honorable Rob Bonta  
California State Assembly  
State Capitol, Room 6005  
Sacramento, California 95814

Dear Assembly Member Bonta:

On behalf of the organizations listed below, we write to express our strong opposition to your AB 1759, legislation that would ban the use of hydrogen fluoride and hydrofluoric acid by January 1, 2017 by facilities that store, maintain or handle more than 250 gallons and are located within two miles of a residence. AB 1759 does not consider the robust regulatory framework in place for chemical use nor does the proposal consider the negative economic impacts that will be felt should this legislation be enacted.

Hydrogen Fluoride (HF) has a wide range of beneficial uses in California, and it is critical to the broader California economy. In addition to the production of gasoline, HF is used across the state in a variety of applications including the production of fluorine-containing materials such as refrigerants, pharmaceutical intermediates and fluoropolymers. Other uses include metals manufacturing, glass etching and polishing, stainless steel pickling, semiconductor preparation, agriculture and various applications in the chemical and specialty metal production industries.

### **Broad Impact on California's Economy**

As previously mentioned, Hydrogen fluoride and hydrofluoric acid have been and continue to be used safely in numerous different industrial applications in California. From metal finishing to petroleum refining, hydrogen fluoride and hydrofluoric acid play an integral role in manufacturing in California. AB 1759 proposes a complete ban on the use of hydrofluoric acid by January 2017 which would have a major impact on California's ability to compete globally in manufacturing. Without access to this product, California consumers, these companies, their employees and the communities that they operate within California would be negatively impacted.

### **Impact on California's Gasoline Supply**

Hydrofluoric acid plays a critical role in making California specification gasoline at two major refineries in Southern California. These refineries alone represent 13% of statewide refining capacity and, even more importantly, 23% of capacity in Southern California's gasoline market.

Hydrofluoric acid is used in the alkylation process which creates an integral component of gasoline that is required to meet California's unique gasoline specifications. Without the ability to use hydrofluoric acid to make this component neither of these refineries can produce California grade gasoline. The inability of these refineries to make California gasoline would have a significant impact on California consumers, jobs and the economy as a whole.

### **Robust Safety Measures in Place**

There are significant regulations in place at the local, state and federal level to ensure the safe handling, use and transportation of hydrogen fluoride and hydrofluoric acid. From federal and state regulations on Process Safety Management to Department of Transportation regulations there is a broad regulatory framework to ensure the safe use of hydrogen fluoride and reduce any impacts. Moreover, individual facilities that use and handle hydrogen fluoride and hydrofluoric acid have several mitigation measures in place, based upon their unique processes, to ensure further reduction of any risk associated with this product. For example, the two refineries mentioned above have a number of layers of equipment within the refinery to ensure the safe use of acid.

AB 1759 fails to consider the significant regulatory framework that is already in place to ensure safe use of hydrogen fluoride and hydrofluoric acid. Moreover, this proposal will impact California's economy, consumers of gasoline and diesel and manufacturers broadly. For these reasons, we must oppose AB 1759.

Sincerely,

American Chemistry Council

California Chamber of Commerce

California Independent Petroleum Association

Chemical Industry Council of California

California Manufacturers & Technology Association

Industrial Environmental Association

National Association of Chemical Distributors

Western States Petroleum Association