



San Joaquin Valley Air Pollution Control District

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Action Summary Minutes SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room

2700 "M" Street, Bakersfield, CA 93301

Wednesday, March 14, 2007, 10:00 A.M.

Meeting held via teleconferencing (VTC) with the Central Region Office (Fresno) participating via VTC.

AGENDA

1. CALL MEETING TO ORDER:
The Chair, Hollis Carlile, called the meeting to order at 10:12 a.m.

2. ROLL CALL:

Kimm Wolber—medical	present
William Bland—public	present
Hollis Carlile (chair)—engineer	present
Nancy Dunn—public	absent
Charles Brehmer—attorney	absent

Staff present—Southern Region (Bakersfield): Emily Gonzalez-Demont, Administrative Analyst II.

Central Region (Fresno): Catherine Redmond, Assistant District Counsel; Brian Dodds, Senior Air Quality Inspector; Michael Carrera, Supervising Air Quality Inspector; Lupe Reyes, Office Assistant II; and Toni Taber, Clerk to the Boards.

3. APPROVE MINUTES OF JANUARY 10, 2007:
The Chair requested an amendment to the sentence reading "Big West would like to operate at full capacity, but haven't been able to as the tanks are." The minutes were changed to read: "Big West would like to operate at full capacity, but haven't been able to as the tanks are not seismically rated for that capacity." Minutes approved as amended.

4. PUBLIC HEARING:

The Chair asked the Clerk to verify that all items had been properly noticed. The Clerk responded that they had. All those present to testify were sworn in by the Chair, and he requested that they sign in.

A. Short Variance Docket No. S-07-11S: Occidental of Elk Hills, 28590 Highway 119, Tupman, CA 93276

This item was withdrawn by Occidental of Elk Hills.

B. Short Variance Docket Number S-07-12S: Kern River Cogeneration Company, 1600 China Grade Loop, Bakersfield, CA 93308

Petitioners: Daniel Beck, Kern River Cogeneration Company

Brian Dodds presented the report. Daniel Beck stated that in December 2006, Kern River Cogeneration went through a similar set of retrofits. At that time, General Electric did not inform them that they would try to achieve a primary re-ignition, which is a high emission state. There were two excess emissions in December, and because they plan to run similar tests at this time, they are expecting excess emissions. Mr. Beck stated that the system has two burners, a primary and a secondary. He stated that they shut off the primary burner and feed an 80% gas/air mixture through, which is a low emission state, but they do not light that mixture. However, the secondary flame can jump over to the primary line. He stated that General Electric will continually add gas to the mixture until they receive the jump back flame, which is important information to GE in their field-testing. He added that this is five out of six tests, and the last set of equipment will go in May or June. After that, they hope to achieve 3ppm NO_x, which is the 4703 requirements. He noted that they will then retrofit all of their turbines.

The Chair clarified that they are trying to fine-tune their parameters for normal operation to give them the desired efficiency. Mr. Beck stated that GE is mirroring different ambient conditions throughout the year in these tests. He stated that when they get this jump back, the operator has to drop load to get the flame back under control, which he can do within six minutes; however during that six minutes, emission state is so high, that they teeter on their existing permit limit, and when 4703 kicks in, they will definitely be over limit. Mr. Beck stated that GE stated they would guarantee 3ppm by April 2008.

Mr. Bland asked if the units are in compliance now. Mr. Beck stated that all the units are Dry Low NO_x, but with the attempt at enhanced Ultra Low Dry Low NO_x to get to 3ppm, there are two units using experimental equipment. Units 2 & 4. Unit 2 is off line, and Unit 4 is where the testing is currently being done. In May, Unit 2 will be tested. A full retrofit schedule begins in October.

Public Comment: None

Moved: Bland
Seconded: Wolber

Bland: Aye
Wolber: Aye
Carlile: Aye

Motion carried to grant variance to Kern River Cogeneration as recommended by staff.

C: Short Variance Docket Number S-07-13S: Big West of California, LLC, 6451 Rosedale Highway, Bakersfield, CA 93308

Petitioners: Max Sims, Big West

Brian Dodds presented the report. Mr. Sims thanked the staff. He stated they are taking the conservative approach. He stated the variance is necessary to install the automatic gauging equipment on the tank. He added that they had performed similar work in December under a different variance, and within two days of that variance's expiration, the gauge on this tank failed. The automatic gauging equipment will produce fewer emissions.

The Chair stated that this is pretty straightforward.

Public Comment: None

Moved: Wolber
Seconded: Bland

Bland: Aye
Wolber: Aye
Carlile: Aye

Motion carried to grant variance to Big West of California, LLC as recommended by staff.

D: Short Variance Docket Number S-07-15S: Aera Energy—Belridge Field, 59231 Main Camp Road, McKittrick, CA 93251

Petitioners: Brent Winn, Aera Energy; Tim Smith, Aera Energy; Rita Daniels, Aera Energy

A revision to this staff report was submitted at the meeting. Brian Dodds presented the revised staff report. He stated that there were changes to the revised staff report as follows: a) Page 7 section 2.S—remove 784.9 because that permit was revised and those conditions wouldn't be correct. b) Page 7 section 2.Z—add 784.9

Mr. Winn thanked the Staff for their work on this complicated Variance. He noted that Mr. Dodds completed this report much quicker than they expected. Mr. Winn stated that the chiller has 880 tubes that must be inspected internally, and it will take crews working 24 hours per day during the entire length of the variance to complete that work. He added that they are also replacing an underground drain line that has had corrosion problems, and a few fugitive leaks that were detected, so those will also be repaired. Mr. Winn stated that they had another plant that received a variance similar to this one.

The Chair asked Mr. Winn if the corrosion of the main line is internal or external. Mr. Winn stated it is external corrosion. The Chair asked with what kind of line they would replace it. Mr. Winn stated that they will use stainless steel. The Chair asked if the line was buried. Mr. Winn stated it will be.

The Chair asked if they will be replacing the tubes. Mr. Winn stated that they will not replace the tubes, but will plug them off if they have holes or are marginal. The Chair asked if the tubes have been checked before. Mr. Winn stated they have been pressure tested. Rita Daniels stated the tubes were inspected. She stated that they did a 20% inspection and plugged 6 tubes. The Chair asked if they found any evidence of corrosion at that time. Ms. Daniels stated there was no corrosion. Mr. Bland wanted to make sure the District was covering all conditions. Mr. Winn stated they've received five new permits a week for the low NO_x burners.

Public Comment: None

Moved: Bland
Seconded: Wolber

Bland: Aye
Wolber: Aye
Carlile: Aye

Motion carried to grant variance to Aera Energy LLC as recommended in the revised staff report with the additional revisions as follows: a) Page 7 section 2.S—Remove 784.9 b) Page 7 section 2.Z—add 784.9

E: Short Variance Docket Number S-07-04S: Chevron USA Inc.
Stations 31 Midway Sunset Oilfield, Western Heavy Oil Stationary Source,
Fellows, CA 93224

Item postponed until April 11, 2007

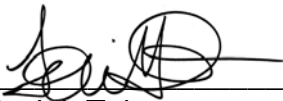
F: Interim Variance Docket Number S-07-16i: Chevron USA Inc.
Stations 2-22, 1-09, 36, and 31 Midway Sunset Oilfield, Fellows, CA 93224

Item postponed until April 11, 2007

5. The Southern Region Hearing Board approved the following emergency

variance orders:

- A. Docket S-07-01E – Occidental of Elk Hills
 - B. Docket S-07-14E – Chevron USA Inc.
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- 6. PUBLIC COMMENTS: No public comments.
 - 7. HEARING BOARD MEMBER COMMENTS: No comments.
 - 8. NEW BUSINESS: No new business.
 - 9. NEXT SCHEDULED MEETING: Wednesday, April 11, 2007 at 10:00 a.m.
The meeting will be held via video conferencing (VTC) in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) participating via VTC.
 - 10. ADJOURNMENT
The Chair adjourned the meeting at 10:50 a.m.



Toni J. Taber
Clerk to the Boards
San Joaquin Valley Unified Air Pollution Control Districts