

Action Summary Minutes

CENTRAL REGION HEARING BOARD MEETING

Central Region Office Governing Board Room

1990 E. Gettysburg Ave., Fresno, CA 93726

Wednesday, November 17, 2010, 10:00 a.m.

MINUTES

1. **CALL MEETING TO ORDER:**

The Chair, Jerry Boren, called the meeting to order at 10:03 a.m.

2. **ROLL CALL:**

Jerry Boren, Chair – Engineer	Present
Robert Schumacher – public	Present
Jim Waterman – attorney	Present
Gerry Mulligan – Public	Present
Dr. James Glaser, M.D. - medical	Present

Staff present – Central Region (Fresno): Patrick Houlihan, Senior Air Quality Specialist; Michael Carrera, Compliance Manager; Clay Bishop, Senior Air Quality Specialist; Catherine Redmond, Legal Counsel; Lynn Sargenti, Senior Office Assistant

3. Approval of Minutes from October 20, 2010

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. The Chair asked that the agenda packet and any addenda brought forth to be entered into the official record.

A. C-10-19R Compass Global Energy
 Coalinga Oil Field
 Coalinga, CA

Petitioners: Tom Blacklock, Joe Selgrath, Nicholas Diercks

Patrick Houlihan presented the staff report which included references to charts included in the report.

During the source test, the steam generator ran too high at 15ppm NOx. Manufacturer guaranteed it would run at 7ppm. Facility needs the

variance so they can tune, test and correct the issue. They are going to experiment lowering NOx and that might make CO increase. Once the CO has been determined they will apply for a permit modification to allow for higher CO. They are also trying to get a PG&E gas line to the facility as this has shown to improve the NOx at other facilities. In the meantime, they still need variance protection since the interim variance expires today.

During the time of the variance, in order to reduce the emissions as much as possible, they will not use the diesel engine to run the generator and have contracted with PG&E for an electrical line to the facility. They will not run the steam generator until they get power.

Mr. Boren stated he was still concerned regarding the timing of the source test and what would prevent them from operating the entire year before testing.

Patrick stated that in condition #5, it states that in the next steam cycle (steam cycle goes for 10 days) they have to make every attempt practical to adjust it and if they have adjusted it to compliance, they have to source test at that time. It is possible they may not be successful since getting the NOx down from 15ppm to 7ppms will be difficult.

Mr. Boren asked if they will have to shut down if they are not able to get into compliance by the end of their variance. Patrick said they will shut down the steam generator.

There was further discussion regarding revenue and income and Boren's concern regarding the air quality. Patrick explained the limits of their operating conditions of the generator over the next year.

Mr. Mulligan asked if other options were available. Patrick said he didn't know of any other ammonia injection boilers or steam generators or technology that can be retrofit to lower the NOx.

Mr. Blacklock proceeded to talk about the steam process and the costs and revenues involved. He also talked about the company's future processes. He explained that they have no plans to expand the field until they are within compliance and have gas and electrical lines in place.

There was discussion regarding equipment needs and an explanation of the catalytic process and that much of it is still in the experimental stage. There was further discussion on ways to show compliance and the issues affecting this.

Mr. Boren asked Patrick if by not running the diesel engine, would this offset the emissions from the steam generator. Patrick responded that it would more than offset the excess emissions estimated.

Public Comment: No public comment
Moved: Mulligan
Second: Waterman

Ayes: Mulligan, Schumacher, Waterman, Boren, Glaser

The Hearing Board voted unanimously to grant the variance with the conditions as stated.

At this time, Mr. Boren explained the reason he was having a hard time agreeing to grant the variance last time was due to the Findings of #2 and #3, which he felt could not be made. The information brought before the Hearing Board today was much improved and he could now support the variance.

B. C-10-26S Saint-Gobain Containers, Inc.
24441 Avenue 12
Madera, CA 93637

Patrick explained the reason this facility is on the agenda twice. This variance request will be continued so that they can get a permit for the equipment they want to bring in. The Hearing Board cannot grant a variance on equipment that has not been permitted. They have to wait for the full permit process which may not be complete until January, 2011.

Petitioner: Sangeetha Arunagiri

Patrick presented the staff report. Patrick referred to the photos that are included in the report which show the worn cable. The excess emissions were calculated at the worst case scenario.

Mr. Mulligan asked if low fire or idle mode would lower the emissions. Patrick responded that yes, it would, however it would limit production. Unsure if lowering the production would lower the CO or the NOx since they are products of combustion and are not entirely related to production levels.

Ms. Arunagiri explained that if they go to lower production or idle mode, the furnace does continue to burn so the CO and NOx would be reduced

but will not stop it. This could cause the ppm to exceed. She said they would make all efforts to reduce the ratio. She explained the process involved to do the maintenance work.

Public Comment: No public comment

Moved: Waterman
Second: Glaser

Ayes: Boren, Waterman, Mulligan, Schumacher, Glaser

The Hearing Board voted unanimously to grant the variance with the conditions as stated.

C. C-10-23S Saint-Gobain Containers, Inc. - continued
24441 Avenue 12
Madera, CA 93637

Moved: Mulligan
Second: Glaser

Ayes: Boren, Waterman, Mulligan, Schumacher, Glaser

The Hearing Board voted unanimously to grant the continuance.

5. The Central Region Hearing Board had not heard nor granted any emergency variances since the October 20, 2010 meeting.
6. **PUBLIC COMMENTS:** No public comments.
7. **HEARING BOARD COMMENTS:** None.
8. **NEW BUSINESS:** None
9. **NEXT SCHEDULED MEETING:** December 15, 2010. This meeting will be held in the Central Region Office (Fresno) in the Governing Board room.
10. **ADJOURNMENT:** The Chair adjourned the meeting at 10:59 a.m.