San Joaquin Valley Air Pollution Control District Central REGION HEARING BOARD MEETING

Central Region Office Governing Board Room 1990 E. Gettysburg Ave., Fresno, CA 93726

ACTION SUMMARY MINUTES

Wednesday, September 17, 2014

Meeting held in the Central Region Office (Fresno)

1. <u>Call Meeting to Order</u>

The Chair, Jerry Boren, called the meeting to order at 10:00 a.m.

2. Roll Call

Jerry Boren (Chair) - Engineer Present
Dr. Lorraine Goodwin, M.D. – Medical Present
Daniel Hartwig – Public Present
Gerry Mulligan – Public Present

Staff Present:

Central Region (Fresno): Clay Bishop, Supervising Air Quality Specialist; Patrick Houlihan, Air Quality Specialist; Jessi Fierro, Assistant District Counsel; Carol Flores, Operations and Program Support Supervisor

3. Approve Minutes of August 20, 2014

The Chair asked if there were any comments regarding the Minutes for August 20, 2014. Hearing no comments, the Chair declared the minutes were approved as submitted.

4. Public Hearing

The Chair swore in all those present to testify for all matters.

	Docket No.	<u>Type</u>	<u>Company Name</u>
A.	C-14-15S	Short	Pacific Ethanol Madera, LLC 31470 Avenue 12 Madera, CA 93638

Petitioners: Polo Duarte

Mr. Houlihan presented the Staff Report.

PEM has requested a short variance from the applicable requirements of District Rules 2070, 2201, and 2520 in addition to the applicable conditions of the subject permits. The requested short variance would be for a consecutive 4 hour period to occur sometime between October 8, 2014, and October 22, 2014, inclusive. If granted, the variance would allow for continued ethanol fermentation while the RTO is shut down for preventative maintenance.

Mr. Boren asked where the corn comes from. Mr. Duarte stated the corn comes from the Midwest by train.

Mr. Boren asked if a 4 hour period is sufficient to complete the project. Mr. Duarte explained the goal is to keep emissions to a minimum but appreciating the concern he requested to modify the petition to an 8 hour period. Mr. Houlihan explained the petitioner has an obligation to complete the project as soon as possible and added adding another 4 hours would be prudent.

Mr. Houlihan noted the following modification to the Recommendations:

- The variance shall be effective for a consecutive 8 hour period to occur sometime between October 8, 2014, and October 22, 2014, inclusive, or until the RTO is back online at operating conditions, whichever occurs first
- 6. Excess VOC emissions shall not exceed 2,976 pounds over the duration of the variance period.

And add:

- 7. Should the total excess VOC emissions exceed one ton (2,000 lbs.), PEM shall do one of the following:
 - A. Submit emission reduction credits (ERC) equal to 20% of the total amount of excess VOC emissions. Initiation of said surrender shall occur within 30 days after the end of the variance;

OR

B. In lieu of surrendering ERC PEM can opt to pay three dollars and seventy five cents (\$3.75) for each pound of total excess VOC emissions. Payment of the excess emission fee shall occur within 30 days after the end of the variance. Payment shall be made to the District and shall be directed to the "Miscellaneous Incentive Grant – Hearing Board", account.

Mr. Mulligan asked if Recommendation 4 regarding not using truck load out during the variance period is to reduce emissions. Mr. Houlihan responded affirmatively. Mr. Duarte added the facility will be in a shutdown mode and no trucks will be coming in or out.

Mr. Boren asked if there was a train spur close to the facility. Mr. Duarte responded affirmatively.

Public Comments: None

Having decided the petition has met the required findings, on motion of Mr. Hartwig and seconded by Mr. Mulligan, unanimously passed, the petitioner was granted a short variance.

5. <u>Emergency Variance</u>

The Central Region Hearing Board did not hear nor grant any emergency variance since the August 20, 2014, hearing.

6. Public Comments

None

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7. Hearing Board Member Comments

Mr. Boren requested an update on the recruitment for an Attorney representative. Ms. Flores stated the information is available on the District website and advertisements have been published in legal publications but no applications have been submitted.

8. New Business

None.

9. Next Scheduled Meeting

The next scheduled meeting is October 15, 2014. The meeting will be held in the Central Region Office (Fresno) in the Governing Board room.

10. Adjourn

The Chair adjourned the meeting at 10:15 a.m.