

**San Joaquin Valley Air Pollution Control District
NORTHERN REGION HEARING BOARD MEETING**

Northern Region Office VTC Room
4800 Enterprise Way, Modesto, CA 95356

ACTION SUMMARY MINUTES

Wednesday, November 4, 2015

*Meeting held via teleconferencing with the
Central Region Office (Fresno) and the
Northern Region Office (Modesto) participating via teleconferencing.*

1. Call Meeting to Order

The Chair, Mark Kanai, called the meeting to order at 10:02 a.m.

2. Roll Call

Mark Kanai (Chair) – Attorney	Present
Rob Hofmann – Public	Present
Gerald Schneider – Engineer	Present

Staff Present:

Northern Region (Modesto): Ron Giannone, Supervising Air Quality Inspector; Nick Peirce, Permit Services Manager; Jag Kahlon, Air Quality Engineer

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

3. Approve Minutes of September 2, 2015

The Chair asked if there were comments regarding the Minutes for September 2, 2015. 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.

A.	N-15-08R	Regular	Santa Fe Aggregates Winton Asphalt Plant 11650 North Shaffer Road Winton, CA 95388	<i>withdrawn</i>
B.	N-15-10S	Short	Pacific Ethanol Stockton, LLC 3028 Navy Drive Stockton, CA 95206	

Petitioners: Joe Teubner and Frank Cunnawe

Mr. Houlihan presented the Staff Report.

Pacific Ethanol Stockton, LLC (PES) has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, and 4623 in addition to the applicable conditions of the subject permits. The requested short variance would be for a consecutive 24 hour period to occur sometime between December 1, 2015, and February 28, 2016, inclusive. If granted, the variance would allow for continued ethanol fermentation while the RTO and scrubbers are shut down for preventative maintenance.

No comments from petitioners.

Public Comment: None

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

C. N-15-09S	Short	Pacific Ethanol Stockton, LLC 3028 Navy Drive Stockton, CA 95206
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Petitioners: Joe Teubner and Frank Cunnawe

Mr. Houlihan presented the Staff Report.

PES 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 from November 25, 2015, through December 31, 2015. If granted, the variance would allow for continued operation while exceeding the facilities annual ethanol throughput.

Mr. Houlihan reported District staff believes two of the six findings cannot be made and does not recommend the variance be granted. He explained staff believes the petitioner should have known they were going to shut down again and should have submitted an earlier petition for the variance; therefore finding number two cannot be made. District staff believes the petitioner can curtail production so as not to exceed emission limits and consequently finding number four cannot be made. He added the District would not issue a cease and desist order and the facility would subject to a Notice of Violation and monetary fine.

Mr. Peirce provided comprehensive information regarding the District process to issue a permit and explained the petitioner had ample time to submit a variance request but failed to do so.

Ms. Fierro explained if the Board grants the variance, findings two and four will need to be articulated.

Mr. Teubner stated the facility slowed production in 2014 and are currently running at 85% capacity due to economic conditions. He added personnel changes caused the delay.

Mr. Hofmann asked why the District is taking a neutral position. Mr. Houlihan explained staff wanted to allow Pacific Ethanol an opportunity to present information that may meet the required findings.

Mr. Cunnawe stated Pacific Ethanol understands there are permit limits and would like to remain in compliance by taking the necessary steps including appearing before the Board today.

Mr. Kanai commented Pacific Ethanol should have anticipated the limits would be exceeded and a variance petition would be required.

Mr. Schneider commented the facility has curtailed operations and believes Finding 4 can be met. He said he was not satisfied with the information for Finding 2 to be met.

Public Comment: None

Having decided the petition has not met the required findings, on motion of Mr. Kanai and seconded by Mr. Hofmann, unanimously passed, the petitioner was denied a short variance.

5. Emergency Variance

The Northern Region Hearing Board has not heard nor granted any emergency variance since the September 2, 2015, Hearing Board meeting.

6. Public Comments

No public comment.

7. Hearing Board Member Comments

None.

8. New Business

None.

9. Next Scheduled Meeting

The next scheduled meeting is December 2, 2015. The meeting will be held via teleconferencing in the Northern Region Office (Modesto) with the Central Region Office (Fresno) participating via teleconferencing.

10. Adjourn

The Chair adjourned the meeting at 10:36 a.m.