



Action Summary Minutes
SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room

2700 "M" Street, Bakersfield, CA 93301

Wednesday, November 12, 2008, 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 10:00 a.m.

2. ROLL CALL:

Kimm Wolber - Medical	Present
Nancy Dunn - Public	Present
John Stovall - Attorney	Present
William Bland - Public *	Present
Hollis Carlile (chair) - Engineer	Present

** attended in Central Region Office*

Staff present—Southern Region (Bakersfield): Creighton Smith

Central Region (Fresno): Patrick Houlihan, Sr. Air Quality Specialist, Catherine Redmond, Assistant District Counsel; and Michelle Banuelos, acting as Clerk to the Boards.

3. APPROVE MINUTES OF OCTOBER 8, 2008
The Chair asked if there were any comments regarding the Minutes of October 8, 2008. Hearing none, the Chair declared the Minutes for October 8, 2008, approved.

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. S S-08-73S Short Sunrise Power Company
12857 Sunrise Power Road
Fellows, CA 93224

Petitioners: Rob Hiestand

Patrick Houlihan presented the report. Sunrise is seeking a short variance to for 48 non-consecutive hours to occur between November 12, 2008, and December 31, 2008, to allow the combustion turbine generator (CTG), Unit 2, to operate with excess NO_x and CO emissions while it is undergoing performance testing.

Patrick Houlihan indicated there is a change in the District's Staff Report. The Staff report currently states the approximate excess emissions are expected to be 641.45 pounds per hour of NO_x and 1457.83 pounds per hour of CO. The staff report should read as follows:

*700 pounds per hour of NO_x
1,580 pounds per hour of CO*

Mr. Hiestand stated the District's Staff report was accurate, but wished to make a request regarding Condition Number Seven (7), related to excess NO_x emissions to be paid or surrendered in credits to the District. Sunrise is asking the Board to consider a change to Recommendation number 7B. Sunrise would like to average out the testing days with daily emissions and pay excess and above an average of that instead of the hourly limit, since the hourly limit is so low. Questions and comments were brought up regarding the best option for Sunrise, whether paying or surrendering, using hourly or daily emissions standards.

Mr. Houlihan stated the District's position should stand as stated in the Staff Report. At this point the Hearing was suspended for a period of 25 minutes to allow Patrick Houlihan an opportunity to consult with the District's Permitting engineers and to run an ambient air quality standards analysis to determine at what point it would be causing a violation of the ambient air quality standards for that area.

After 25 minutes, the Chair reopened the Hearing. Patrick Houlihan reported that the District staff member he needed to consult with was not available today. However, he did find out that when Sunrise applied for a District permit, either they or the manufacturer gave the number of 15.96 pounds per hour. The District ran some dispersion modeling with those numbers, and based on those numbers they would not violate the ambient air quality standards for that particular area, but it does not tell us the maximum they could go to before they violate ambient air quality standards. The District would need to run more modeling to determine how high they could go before violating the ambient air quality standards.

Hollis Carlile asked if the conditions could be left open until Sunrise conducted their tests.

Catherine Redmond pointed out that the District could not leave the conditions open. They could vote for a modification at the next hearing, but leaving the conditions open could render the variance null and void.

John Stovall added that the variance could be accepted as it is written, but adding that the District would have the authority to reduce the fee if due modeling supports that in the District's judgment.

A motion was made by John Stovall that the Hearing Board grant the variance outlined in docket number S-08-73S for Sunrise Power Company for a 48 hour period from November 12, 2008, to December 31, 2008. The variance would be subject to the conditions listed on pages three through five of the Staff report, provided that condition seven (7) be amended with the following language:

"Provided that the District Officer shall have the authority to reduce the fee for pounds in excess of NO_x emissions if after conducting due modeling they conclude that the air quality will not be impacted as severely and also provided that condition 5 and 6 be amended to 700 pounds per hour Nox and 1580 pounds per hour CO.

Kimm Wolber Seconded the Motion. Bill Bland asked how long it would take to conduct these tests. John Stovall noted that only the fee is being changed. Catherine Redmond added that there will be sufficient time to conduct the tests.

Public Comments: None

Motion: Stovall

Second: Wolber

AYES:Wolber, Dunn, Bland, Stovall, Carlile

NAYS: None

Having decided the petition has met the required findings, the Hearing Board voted unanimously to pass the Motion to grant the variance subject to the conditions in the staff report to occur between November 12, 2008, and December 31, 2008.

5. The Southern Region Hearing Board heard no emergency variances
6. PUBLIC COMMENTS: No public comments.
HEARING BOARD MEMBER COMMENTS: No Hearing Board member comments
7. New Business: Patrick Houlihan mentioned the Southern Region Hearing Board for 2009 is scheduled on November 11, 2009, which falls on Veteran's Day and proposed that the Hearing be held on the following day, November 12, 2009. It was accepted by the Board.
8. NEXT SCHEDULED MEETING: Wednesday, December 10, 2008, 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.
9. ADJOURNMENT
The Chair adjourned the meeting at 11:12 a.m..