

Action Summary Minutes SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room

34946 Flyover Court, Bakersfield, CA 93308

Wednesday, February 11, 10:00 a.m.

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

MINUTES

1. CALL MEETING TO ORDER:

The Chair, Hollis Carlile, called the meeting to order at 10:06 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

Staff present—Southern Region (Bakersfield): Dave Baldwin

Central Region (Fresno): Michael Carrera, Supervising Air Quality Inspector; Ryan Hayashi, Supervising Air Quality Specialist; Catherine Redmond, Assistant District Counsel; and Michelle Banuelos, acting as Clerk to the Boards.

3. Approve Minutes of January 14, 2009

The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of January 14, 2009. Hearing none, the Minutes for January 14, 2009, were 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.

^{*} attended in Central Region Office

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A. S-09-04S Short Sunrise Power Company, LLC 12857 Sunrise Power Road

Fellows, CA 93224

Petitioners: Rob Hiestand

Ryan Hayashi presented the report. Sunrise Power Company, LLC (Sunrise) is seeking a short variance for a non-consecutive 48 hour period to occur sometime between February 11, 2009, and May 11, 2009, to allow the combustion turbine generator, Unit #1, to be operated with excess NO_x and CO emissions while it is undergoing performance testing.

Petitioner, Rob Hiestand stated the District's Staff report was accurate in describing Sunrise's situation; However, added that they had performed a similar test on Unit #2 in December of 2008, and concluded that the test was successful in the first four hours.

Public Comments: None

Motion: Wolber Second: Stovall

AYES: Wolber, Bland, Dunn, Carlile, Stovall

NAYS: None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report on pages three through five.

B. S-09-04S Regular Aera Energ LLC

P O Box 11164

Bakersfield, CA 93251

Petitioners: Brent Winn

Tim Smith Rita Waugh

Ryan Hayashi presented the report. Aera Energy LLC (Aera) is seeking a short 90-day variance period to occur between February 11, 2009, and May 11, 2009, to allow the flare to continue to operate outside of the manufacturer's specifications and allow collected gas to bypass the gas plant when AERA conducts maintenance activities on the flare ignition system.

Petitioner, Brent Winn, stated the District's staff report was accurate in describing Aera's situation; However wanted to clarify Item number 4, page four, as follows:

Notwithstanding the relief from Rule 4409, AERA shall monitor the gas gathering system for leaks during the 48 hours that field gas is being diverted into the

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system. AERA shall use sight, smell or sound and/or techniques described in Method 21 and shall record and immediately repair any leak over 10,000 ppm.

Mr. Winn stated he had another change he wished to make on Item number 6, page five, as follows:

AERA shall notify the District at least 24 hours, but no more than 96 hours, prior to commencing the repairs on the LP flare.

Mr. Winn noted that on Item 5, page three, the verbiage should be changed to include the word "downstream" as follows:

AERA will reduce excess emissions by monitoring the flare and manually relighting the flare when the pilot flame extinguishes. In addition, when the flare Is shut down for repairs, the gas will be bypassed to a downstream gathering system instead of being allowed to vent to the atmosphere. AERA will make every attempt to only bypass the flare for 48 hours. During the 48-hour bypass, AERA will check for leaks and repair them as quickly as possible.

Public Comments: None

Motion: Stovall Second: Wolber

AYES: Wolber, Bland, Dunn, Carlile, Stovall

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 and changes in the staff report on pages three, four and five.

C. S-09-06S Short Stan Noble

17957 Avenue 96

Terra Bella, CA 93270

Petitioners: Stan Noble

Ryan Hayashi presented the report. Stan Noble (Noble) has requested a short variance to occur sometime between February 11, 2009, and March 15, 2009, to allow the burning of 22 acres of kiwi orchard removal material.

Mr. Noble stated the District's Staff report was accurate in describing his Petition. He stated that he solicited quotes from several chipping contractors. Three contractors responded in writing that they would be unable to chip the material due to the wire that has been embedded in the kiwi vines. Mr. Noble added that he is unable to dispose of the material in the local landfill due to landfill diversion mandates by the state of California. He also added that he prefers not to simply pile and collect this waste on his property.

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Nancy Dunn suggested that Noble extend the period from March 15 to April 1, 2009, to allow extra time for acquiring a burn permit.

Public Comments: None

Motion: Wolber Second: Stovall

AYES: Wolber, Dunn, Bland, Carlile, Stovall

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 and changes in the staff report to occur between February 11, 2009, and April 1, 2009.

D. S-09-08S Short Jensen-McClarty Farms

13138 South Bethel Kingsburg, CA 93631

Petitioners: Manuel Cunha

Ryan Hayashi presented the report. Jensen-McCarty Farms (JMF) is requesting a short variance to occur sometime between February 11, 2009, and May 11, 2009, to allow the burning of 120.3 acres of orchard removal material.

John Stovall asked if the District has had any discussions with the Landfill companies to let them know of the problems farmers are facing. William Bland explained that AB 939 is a state mandated law which was implemented several years ago. There is no talking to the Landfills individually. Either you divert it or bring it and pay a fine.

Hollis Carlile asked what type of impact burning 122 acres would make on the atmosphere.

Mr. Hayashi explained that only so much acreage is allowed per permit. Probably, no other burning would be allowed that day.

Petitioner, Manual Cunha, reiterated that JMF would follow the District's Smoke Management guidelines and only burn what is allotted for that day so as not to cause health impacts to nearby communities.

Fuel costs, chipping fees, manual labor salaries, and general farm operating costs and materials have escalated each year.

Allowing piles to sit in fields makes a haven for pest invasions and four legged critters, which could cause problems with food safety.

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Public Comments: None

Motion: Dunn Second: Wolber

AYES: Wolber, Dunn, Bland, Carlile, Stovall

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 and changes in the staff report to occur between February 11, 2009, and April 1, 2009.

E. S-09-10i Interim La Paloma Generating Company, LLC

P O Box 175

McKittrick, CA 93251

Petitioner: Zenis Walley

Ryan Hayashi presented the report. La Paloma Generating Company, LLC (LPGC) is requesting an interim variance from February 2, 2009, until April 8, 2009, to allow LPGC to continue utilizing the two water cooling towers with excess particulate matter.

Petitioner, Zenis Walley, asked for a copy of the District's Recommendations. Dave Baldwin handed him a copy. Petitioner was allowed a few minutes to read the Recommendations. Mr. Walley stated the District's recommendations were acceptable to LPGC.

Public Comments: None

Motion: Stovall Second: Wolber

AYES: Wolber, Dunn, Bland, Carlile, Stovall

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 and changes in the staff report to occur between February 2, 2009, to April 8, 2009

F. S-09-12i Interim Big West of California LLC

6451 Rosedale Hwy

Bakersfield, CA 93308

Petitioner: Max Sims

Mark Denis Larry Wilkerson

Bill Chadick Kamran Moghaddem

Ryan Hayashi presented the report. Big West of California, LLC (BWC) is requesting an interim variance from February 5, 2009, to April 8, 2009, to allow the continued operation of Waste Water Treatment Unit #83 without an operational VRS while BWC conducts inspection and maintenance activities on the 73C6 compressor.

Petitioner, Max Sims, stated the District's report was accurate in describing BWC's situation. Mr. Sims explained this particular system is a single compressor system. On January 3, 2009, the compressor overheated and had to be rebuilt. The refinery's crude unit is currently shut down and crude oil is not being processed. The lack of crude oil in wastewater causes the compressor to overheat. They are currently working with the manufacturer to find a solution that would enable them to retrofit this compressor to be able to operate under these conditions.

Public Comments: None

Motion: Wolber Second: Stovall

AYES: Wolber, Dunn, Bland, Carlile, Stovall

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 February 5, 2009, and April 8, 2009.

At this time, having a conflict of interest, John Stovall recused himself from the meeting.

G. S-09-07S Short Occidental of Elk Hills, Inc.

P O Box 1001

Tupman, CA 93276

Petitioner: Nicky Langley

Ryan Hayashi presented the report. Occidental of Elk Hills, Inc., (OEHI) is requesting a short variance from January 16, 2009, to April 16, 2009, or until the ATC can be modified with higher allowable VOC concentration, whichever occurs first.

Petitioner, Ms. Nicky Langley stated the District's report accurately summed up their request. Ms. Langley stated they have already submitted an ATC application to raise the concentration limits.

Public Comments: None

Motion: Dunn Second: Wolber

AYES: Wolber, Dunn, Bland, Carlile

NAYS: None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report to occur between February 11, 2009, and May 11, 2009.

The meeting was turned over to Bill Bland. Due to a conflict of interest, the Chair, Hollis Carlile as well as John Stovall, recused themselves for the next two items. William Bland, Vice-Chair acted as Chair.

H. S-09-09S Short Chevron USA, Inc.

P O Box 1392

Bakersfield, CA 93302

Petitioners: Martin Lundy

David Moore

Ryan Hayashi presented the report. Chevron USA, Inc., (CUSA) has requested a short variance for 96 non-consecutive hours to occur sometime during the period between February 11, 2009, and May 11, 2009, to allow the subject storage tanks to continue to store VOC containing liquids without an operating VRS.

Petitioner, Martin Lundy stated the District's presentation was accurate and he had nothing to add.

Public Comments: None

Motion: Wolber Second: Dunn

AYES: Wolber, Dunn, Bland

NAYS: None

I. S-08-64R Regular Chevron USA, Inc.

P O Box 1392

Bakersfield, CA 93302

Petitioners: Martin Lundy

David Moore

Ryan Hayashi presented the report. Chevron USA, Inc., (CUSA) has requested a regular variance for a cumulative, non-consecutive, 14-day period to occur sometime between February 11, 2009, and July 31, 2009, to allow continued receiving, storage, and/or processing of VOC containing fluids in the subject tanks without an operational VRS while CUSA installs new compressors. In addition, the variance would allow the use of the flare during a non-emergency event.

Petitioner, Martin Lundy stated the District's presentation was accurate; however wanted to add that they had some delays in the project but are now ready to conduct a "loop test" in order to check for leaks prior to placing actual gas into the unit.

Public Comments: None

Motion: Dunn Second: Wolber

AYES: Wolber, Dunn, Bland

NAYS: None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report to occur sometime between February 11, 2009, and July 31, 2009.

Hollis Carlile and John Stovall returned to the meeting. William Bland turned over the chairmanship to Mr. Carlile at this time.

- 5. The Southern Region Hearing Board heard no emergency variances.
- 6. Public Comments: No public comments.
- 7. HEARING BOARD MEMBER COMMENTS: No Hearing Board member comments
- 8. <u>NEW BUSINESS:</u> Hollis Carlile asked for a status on the proposal to raise Hearing Board member stipends. Catherine Redmond pointed out that they are still expecting proposals from the hearing board members from the other regions. Nancy Dunn stated that she will not be available for the March Southern Region Hearing Board meeting.
- 9 <u>NEXT SCHEDULED MEETING</u>: Wednesday, March 11, 2009, at 10:00 a.m. The meeting will be held via video teleconferencing (VTC) in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) participating via VTC.
- 10. ADJOURNMENT: The Chair adjourned the meeting at 12:25 p.m.