

**Action Summary Minutes**  
**SOUTHERN REGION HEARING BOARD MEETING**

Southern Region Office Video Teleconference (VTC) Room

34946 Flyover Court, Bakersfield, CA 93308

**Wednesday, March 11, 2009 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 10:00 a.m.

2. ROLL CALL:

Kimm Wolber - Medical	Present
Donna Carpenter - 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): Ellyce Baldwin

Central Region (Fresno): Patrick Houlihan, Sr. Air Quality Specialist; Ryan Hayashi, Supervising Air Quality Specialist; and Michelle Banuelos, acting as Clerk to the Boards.

3. Approve Minutes of February 11, 2009  
The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of February 11, 2009. Hearing none, the Minutes for February 11, 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.

A. S-09-05M Modification Aera Energy, LLC  
59231 Main Camp Road  
McKittrick, CA 93251

Petitioners: Brent Winn  
Rita Waugh

Patrick Houlihan presented the report. Aera Energy LLC is requesting to modify their previously granted Short Variance.

Petitioner, Brent Winn reported that the gas plant has been operating fine since the granting of the short variance. Mr. Winn stated their Operations Staff informed him that they would be able to conduct their shut down and maintenance in seven days but may need an additional two days in case anything else happens. Mr. Winn added that the reason for wanting to combine the gas plant maintenance with flare maintenance is because they can accomplish both at the same time. Rather than doing the shut-down twice, they can do it once and save a great amount of effort and man hours.

Comments: None

Motion: Wolber Second: Carpenter

AYES: Wolber, Carpenter, Carlile, Stovall

NAYS: None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the Modification of the variance period subject to the conditions in the staff report on pages three and four. The nine day period would be from February 11, 2009, and May 11, 2009, or until the flare's pilot light ignition system is repaired or replaced and the general gas plant maintenance is completed, whichever occurs first.

B. S-09-10R Regular La Paloma Generating Company, LLC  
1760 West Skyline Road  
McKittrick, CA 93251

Petitioners: Zenis Walley

Patrick Houlihan presented the report. La Paloma (LPGC) is seeking a regular variance period to occur sometime between March 11, 2009, until March 10, 2010. If granted, the regular variance would allow LPGC to continue utilizing the two water cooling towers with excess particulate matter.

Patrick Houlihan stated there will be a change in Recommendation Number three, page 4 of the staff report to read as follows:

*The variance shall allow for the continued operation of the entire generating facility while excess PM10 emissions are emanating from the two cooling towers.*

Petitioner, Zenis Walley, stated the District's staff report was accurate in describing La Paloma's situation; However wanted to add that since they were here last month, there's been an increased level of conductivity or degradation. They are in excess of their permit limits. The plant is operating at full load now and have not gotten to the peak summer months yet. They do desire to have the Regular variance granted.

Public Comments: None

Motion: Carpenter

Second: Stovall

AYES: Wolber, Bland, Carpenter, 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 to occur between March 11, 2009, and March 11, 2010, subject to the conditions and changes in the staff report on pages four and five.

C. S-09-12R     Regular     Big West of California, LLC  
6451 Rosedale Highway  
Bakersfield, CA 93308

Petitioners:                     Max Sims  
   Mark Denis  
   Keith Torres  
   Melinda Hicks

Patrick Houlihan presented the report. Big West of California (BWC) is seeking a regular variance from March 11, 2009, and March 10, 2010, to allow the continued operation of Waste Water Treatment Unit #83 without an operational vapor recovery system while BWC conducts inspection, diagnostic, repair, and maintenance activities on the 73C6 compressor, or possible replacement thereof, if necessary.

Petitioner, Max Sims, stated the District's Staff report was accurate in describing BWC's Petition. He added that the reason they are asking for this Regular variance is to hopefully allow them time to get back to normal operations.

Donna Carpenter asked if they anticipate the VOC's to be in excess of a ton. Mr. Sims stated they anticipate very little VOC emissions.

Public Comments: None

Motion: Wolber Second: Stovall

AYES: Wolber, Carpenter, 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 March 11, 2009, and March 11, 2010, or until the Vapor Recovery System is returned to normal operation, whichever occurs first.

D. S-09-16i Interim Big West of California, LLC  
6451 Rosedale Highway  
Bakersfield, CA 93308

Petitioners: Max Sims  
Mark Denis  
Keith Torres  
Melinda Hicks

Patrick Houlihan stated that Big West of California (BWC) Petitioned for quite a large number of equipment to be covered, but since then, it has been determined that most of this equipment can be put off until a later date and some may not need a variance at all, so many of those have been removed from this Petition. BWC is seeking an Interim variance, to be followed by a Regular variance, to occur sometime between March 11, 2009, and June 8, 2009, to allow the postponement of the current and upcoming CEMS RATA for the CEMS associated with the subject equipment.

Max Sims stated BWC will perform a Cylinder Gas Audit (CGA) on equipment that is not operating above 50% load.

Public Comments: None

Motion: Wolber Second: Stovall

AYES: Wolber, Carpenter, 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 March 11, 2009, and June 8, 2009, or until the Southern Region Hearing Board hears the petition for the regular, or until the refinery resumes normal operation, whichever occurs first.

E. S-09-13S     Short     MMC Mid-Sun, LLC  
3344 W. Crocker Springs Road  
Fellows, CA 93224

Petitioners:                     Donelle Griffin

Patrick Houlihan presented the report. MMC Mid-Sun LLC has requested a short variance to occur between February 26, 2009, and March 31, 2009, to allow cancellation of the requirement to source test and perform a CGA.

Donelle Griffin stated the plant has only run one hour since they filed for their Petition. She had nothing to add, only that they will begin dismantling the unit on April 1<sup>st</sup>.

Public Comments: None

Motion: Stovall     Second: Wolber

AYES: Wolber, Carpenter, Bland, 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 and changes in the staff report to occur between February 26, 2009, and March 31, 2009.

At this time, Donna Carpenter asked if the following Petitions S-09-17S and S-09-18S, both for Kern River Cogeneration Company, could be consolidated and be heard together. After the Clerk took a vote, it was agreed to hear both Petitions together but conduct separate votes for each Petition.

F. S-09-17S     Short     Kern River Cogeneration Company  
1600 China Grade Loop  
Bakersfield, CA 93308

Petitioner:                     Rob Hiestand  
Cory Eager

G. S-09-18S     Short     Kern River Cogeneration Company  
1600 China Grade Loop  
Bakersfield, CA 93308

Petitioner:                     Rob Hiestand  
Cory Eager

Patrick Houlihan presented the report. Kern River Cogeneration Company (KRCC) is requesting a short variance for a cumulative 24 hour period to occur sometime between March 11, 2009, to June 9, 2009, to allow the operation of the subject turbine unit with excess NO<sub>x</sub> and CO emissions while KRCC conducts the necessary performance tests.

Petitioner, Rob Hiestand, stated GE has provided newer nozzles that KRCC will be installing. Every time nozzles are changed out, performance tests must be conducted.

Public Comments: None

Motion: Carpenter    Second: Wolber

AYES: Wolber, Carpenter, Bland, Carlile

NAYS: None

Having decided the petition under Docket Number S-09-17S 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 March 11, 2009, and June 9, 2009.

Having decided the petition under Docket Number S-09-18S 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 March 11, 2009, and June 9, 2009.

5. The Southern Region Hearing Board heard no emergency variances since the February 11, 2009 Hearing.
6. PUBLIC COMMENTS: No public comments.
7. HEARING BOARD MEMBER COMMENTS: No Hearing Board Member comments.
8. NEW BUSINESS: Hollis Carlile asked for a status on the proposal to raise Hearing Board member stipends. Patrick Houlihan stated they are still awaiting proposals from hearing board members from the other regions. Only five had been received so far. He indicated if all goes well, it may be presented to the Governing Board at the April 2009 meeting.
9. NEXT SCHEDULED MEETING: Wednesday, April 8, 2009, 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.
10. ADJOURNMENT: The Chair adjourned the meeting at 11:25 a.m.