



Action Summary Minutes

SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room

34946 Flyover Court, Bakersfield, CA 93308

Wednesday, February 10, 2010, 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 10:05 a.m.

2. ROLL CALL:

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

*Bill Bland attended in the central region.

Staff present - Southern Region (Bakersfield): Ellyce Baldwin

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

3. APPROVE MINUTES OF JANUARY 13, 2010
The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of January 13, 2010. Hearing none, the Minutes for January 13, 2010, were approved as submitted.
4. PUBLIC HEARING:
The Chair asked the Clerk if all items had been properly noticed. The Clerk responded yes, they had been properly noticed. All those present to testify were sworn in by the Chair, and he requested that they sign in.

John Stovall recused himself from the meeting at this time due to a conflict of interest.

A. S-09-70R Regular Occidental of Elk Hills, Inc.
10800 Stockdale Highway
Bakersfield, CA 93311

Petitioners: Rick Garcia
Joe Ashley

Patrick Houlihan presented the report. Occidental of Elk Hills, Inc. (OEHI) is seeking a regular variance for a period between February 10, 2010, and December 18, 2010, to allow for the storage of VOC containing liquids without an operational or functional vapor recovery system (VRS).

Petitioner, Rick Garcia, stated their petition was presented accurately and noted that nothing has really changed from the last hearing. He stated it's the same tanks, same criteria, and added they are requesting a regular variance as an extension of the interim variance in order to proceed with the project.

Ms. Dunn asked if they have to install a VRS for all operations because of this purchase. Mr. Carlile responded that only the tanks purchased from Crimson need to be retrofitted with VOC controls. They currently operate without a VRS because they're a small producer, therefore exempt .

Public Comments: None

Motion: Wolber Second: Dunn

AYES: Wolber, Dunn, Bland, Carlile

NAYS: None

RECUSED: Stovall

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.

B. S-09-72S Short Chevron USA, Inc.
29D OCP
Midway Sunset Oil Field
Taft, CA

This item was continued by Petitioners.

C. S-10-01R Regular Occidental of Elk Hills, Inc.
10800 Stockdale Highway
Bakersfield, CA 93311

Petitioners: Dennis Champion
Joe Ashley

Patrick Houlihan presented the report. Occidental of Elk Hills, Inc. (OEHI) is seeking an interim variance for a period between February 10, 2010, and June 30, 2010, to allow the subject heaters to operate while the cogeneration plants are in operation and provide relief for any excess emissions only during such operation.

Petitioner, Dennis Champion, stated they did install SCR on the heaters, but once the weather got cold, they started experiencing problems with the ammonia delivery system and with the control feedback equipment. That's when the CO issues occurred. They have a full time facilities engineer and a local expert working to fix the multiple issues. They have a long-term plan to install a whole new ammonia delivery system and to operate the heaters fulltime..

Mr. Carlile asked the ages of the heaters. Mr. Champion stated they were installed in 1972. Mr. Carlile stated he understands they need time to run tests to determine what the problems are and how to fix them.

Public Comments: None

Motion: Dunn Second: Wolber

AYES: Wolber, Dunn, Bland, Carlile

NAYS: None

RECUSED: Stovall

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.

John Stovall returned to the meeting at this time.

D. S-10-02S Short Aera Energy
29235 Highway 33
Maricopa, CA 93252

Petitioners: Robert Beebout

Patrick Houlihan presented the report. Aera Energy is seeking a short variance for a period between February 10, 2010, and May 1, 2010, to allow the continued storage of volatile organic compounds (VOC) containing liquids at the MOCO and National Dehydration Facilities without an operational VRS.

Petitioner, Robert Beebout, thanked Patrick Houlihan for the accurate presentation. Mr. Beebout added that PG & E notified Aera they will be shutting off the power to do maintenance, which will affect multiple leases. To minimize down time, Aera will use this time to perform miscellaneous field maintenance that is best accomplished while all equipment is shut down.

Public Comments: None

Motion: Stovall Second: Dunn

AYES: Wolber, Dunn, Carlile, Bland, 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.

E.	S-10-04S	Short	Chevron USA, Inc. 26C Cogeneration Plant Midway Sunset Oil Field Taft, CA
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This item was continued by Petitioners.

F.	S-10-07i	Interim	Chevron USA, Inc. 26C Cogeneration Plant Midway Sunset Oil Field Taft, CA
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Petitioners: Martin Lundy

Patrick Houlihan presented the report. Chevron USA, Inc., (CUSA) is seeking an Interim variance to occur between February 10, 2010, and April 14, 2010, or until the hearing on the short variance can be held, whichever occurs first. The interim variance would allow for the postponement of the RATA/RAA certification testing on the two subject cogeneration units.

A correction to the District's Staff Report was noted by Patrick Houlihan. The variance period would begin on February 10, 2010, not February 4, 2010.

Petitioner, Martin Lundy, stated the District accurately depicted their situation. They are having difficulty meeting the deadline because there is no off-the-shelf package they can just purchase and install. There have been many delays, such as vendors developing the CEM software, start ups, data accumulation, having the source testing company fit them into their schedule, etc.

Public Comments: None

Motion: Wolber Second: Stovall

AYES: Wolber, Dunn, Carlile, Bland, 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.

5. The Southern Region Hearing Board heard two emergency variances since the last Hearing.
6. PUBLIC COMMENTS: None
7. HEARING BOARD MEMBER COMMENTS: None.
8. NEW BUSINESS: Patrick Houlihan noted the Hearing Board's Petition to increase the pay stipend will be recommended to the Governing Board in either April or May.
9. NEXT SCHEDULED MEETING: Wednesday, March 10, 2010, 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 11:05 a.m.