



**Action Summary Minutes**

**SOUTHERN REGION HEARING BOARD MEETING**

Southern Region Office Video Teleconference (VTC) Room

34946 Flyover Court, Bakersfield, CA 93308

**Wednesday, July 14, 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 10:00 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): Dave Baldwin, Supervising Air Quality Inspector

Central Region (Fresno): Patrick Houlihan, Sr. Air Quality Specialist; Ryan Hayashi, Supervising Air Quality Specialist; Catherine Redmond, Assistant District Counsel; and Vicki Christie, acting as Clerk to the Board.
  
3. APPROVE MINUTES OF JUNE 9, 2010  
The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of June 9, 2010. Hearing none, the Minutes of June 9, 2010, were approved as submitted.
  
4. PUBLIC HEARING:  
All those present to testify were sworn in by the Chair, and he requested they sign in.

A. S-10-01X Extension Occidental Of Elk Hills, Inc.  
Elk Hills Oil Fields  
Tupman, CA

Petitioners: Dennis Champion

Patrick Houlihan presented the report. Occidental of Elk Hills, Inc. has requested an extension of the regular variance previously granted on February 10, 2010 until June 30, 2010 (S-10-01R). The requested variance would be a period between July 1, 2010 and September 20, 2010. If granted, the variance would allow the subject heaters to operate while the cogeneration plants are in operation and allow for excess NO<sub>x</sub> and CO.

The District believes that the required findings can be made and recommends that Occidental Of Elk Hills, Inc. be granted the extension of the previously granted regular variance with the conditions as stated on pages five, six, and seven of the staff report.

Petitioner, Dennis Champion presented the numerous difficulties that OEHI has encountered with keeping an antiquated system in compliance by redesigning and making modifications.

Hollis Carlile commented on his concerns that September 30, 2010 would not be enough time to complete this project. Based on this concern, an end date of December 31, 2010 was granted after being mutually acceptable to all parties.

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 on pages 4 and 5 of the staff report with changes to Conditions #1 and #14.

*Condition #1 should read: The requested variance would be a period between July 1, 2010 and December 31, 2010.*

*Condition #14 should read: By January 15, 2011, OEHI shall submit a written report to the district. The rest of that paragraph is to remain intact.*

B. S09-15X Extension Paramount Farms, Inc.  
13646 Highway 33  
Lost Hills, CA 93249

Petitioners: Doug McCormick, Consultant, Insight Environmental

Patrick Houlihan presented the report with one noted correction. On page two, under "Previous Variance" heading, the date should read: *May 13, 2009*. The rest of that paragraph is correct.

PFI has requested an extension of the previously granted regular variance from District Rule 4307. The requested variance would be from July 1, 2010 to July 1, 2011. If granted, the variance would allow the use of the pasteurizer with NO<sub>x</sub> and CO emissions in excess of those limits which are allowed by Rule 4307. If the Rule is not amended or if another solution does not arrive by July 1, 2011, the District will support PFI filing for another extension until such action can be taken.

The District believes that the required findings can be met and recommends that PFI be granted an extension of the previously granted regular variance with the conditions as stated on pages four and five of the staff report.

Petitioner, Doug McCormick, thanked Patrick Houlihan for his help and stated the District's presentation accurately captured their petition. He presented new information. During the monthly monitoring, it was discovered that this unit operates very cyclically with regard to temperatures, making it impossible for this unit to comply with Rule 4307. In looking at different burner technology with the same heat specifications required for pasteurization, and the cyclic nature of heat demand, we still do not think a different burner would achieve compliance.

Public Comments:	None
Motion:	Stovall
Second:	Wolber
AYES:	Wolber, Dunn, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	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.

C. S-10-35S Short Chevron USA, Inc.  
15Z Oil Cleaning Plant  
Cymric Oil Field  
Kern County, CA

Petitioners: John Gruber, Hugo Gaskin, Corey Lazaruk

Patrick Houlihan presented the report. CUSA has requested a short variance from the requirements of District Rules, in addition to the applicable conditions of the subject Authorities to Construct (ATCs) and permits to operate (PTOs). The requested variance period would be for a consecutive, 12-hour period to occur between July 15, 2010 and October 12, 2010. If granted, the variance would allow the continued storage of volatile organic compounds (VOC) containing liquids in the tanks without a functional or operating vapor recovery system (VRS).

The District believes that the required findings can be met and recommends that CUSA be granted a short variance with the conditions as stated on pages four and five of the staff report

Petitioner John Gruber stated that the District's presentation accurately captures the content of CUSA's petition and finds the staff report acceptable.

Public Comments:	None
Motion:	Bland
Second:	Wolber
AYES:	Wolber, Dunn, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	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.

D.	S-10-40S	Short	Chevron USA, Inc. 8Z NEMU Cymric Oil Field Kern County, CA
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Petitioners: John Gruber, Hugo Gaskin, Corey Lazaruk

Patrick Houlihan presented the report. CUSA has requested a short variance from the requirements of District Rules, in addition to the applicable conditions of the subject Authorities to Construct (ATCs) and permits to operate (PTOs). The requested variance period would be for a consecutive, 24 hours to occur between July 15, 2010 and October 12, 2010. If granted, the variance would allow the continued storage of volatile organic compounds (VOC) containing liquids in the tanks without a functional or operating vapor recovery system (VRS).

The District believes that the required findings can be met and recommends that CUSA be granted a short variance with the conditions as stated on pages four and five of the staff report.

Petitioner, John Gruber, thanked Patrick Houlihan for his help and stated that the District's presentation accurately captures the content of CUSA's petition and finds the staff report acceptable.

Public Comments:	None
Motion:	Wolber
Second:	Stovall
AYES:	Wolber, Dunn, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	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.

- E. S-10-41S Short Chevron USA, Inc.  
Steam Plant 7 **REQUEST WITHDRAWN**  
Cymric Oil Field  
Kern County, CA
- F. S-10-39S Short Chevron USA, Inc.  
26C, 31E and 2F Oil Cleaning Plants  
Midway Sunset Oil Field  
Taft, CA

Petitioners: Martin Lundy and Martin Quintero

Patrick Houlihan presented the report. CUSA has requested a short variance from the requirements of District Rules, in addition to the applicable conditions of the subject Authorities to Construct (ATCs) and permits to operate (PTOs). The requested short variance period would be effective for a non-consecutive 14-day period to occur between July 15, 2010 and September 15, 2010. If granted, the variance would allow CUSA to continue to store VOC containing liquids in tanks without a functional or operating VSR while CUSA conducts maintenance on a soft water tank and piping. In addition, it will allow wells with closed casing vents to produce into tanks that do not have a functional or operating VRS.

The District believes that the required findings can be met and recommends that CUSA be granted a short variance with the conditions as stated on pages four, five, and six of the staff report.

Petitioner, Martin Lundy, thanked Patrick Houlihan for his help and stated that the District's presentation accurately captures the content of CUSA's petition and finds the staff report acceptable.

Petitioner, Martin Quintero, stated that this system was put in place in the early 1980's on a foundation that promoted underside corrosion, which was a design error. CUSA is taking steps to make sure that this problem does not happen again.

Public Comments:	None
Motion:	Dunn
Second:	Stovall
AYES:	Wolber, Dunn, Bland, Carlile, Stovall
NAYS:	None
RECUSED:	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.

G. S-10-37S Short Granite Construction  
21541 East Bear Mountain Blvd  
Arvin, CA 93203

Petitioners: Tim Findley and Vindi Ndulute

Patrick Houlihan presented the report. Granite Construction is seeking a short variance period to occur between July 14, 2010 and October 11, 2010. If granted, the variance would allow the operation of the subject drum dryer with excess NO<sub>x</sub> and CO emissions until the Compliance Achievement Plan has been implemented and a compliance source test has been conducted.

The District believes that the required findings can be met and recommends that Granite Construction Company be granted a short variance with the conditions as stated on pages four, five, and six of the staff report.

Petitioner, Tim Findley, thanked Patrick Houlihan for his help and stated that the District's presentation accurately captures the content of Granite Construction's petition.

Public Comments:	None
Motion:	Stovall
Second:	Dunn
AYES:	Wolber, Dunn, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	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.

H. S-10-38S Short Alon Bakersfield Property, Inc.  
6451 Rosedale Highway  
Bakersfield CA

Petitioners: Max Sims; Mark Denis

Patrick Houlihan presented the report. Alon has requested a short variance from District Rules, in addition to conditions of the applicable PTOs. The requested variance would be for 30 non-consecutive days to occur between July 14, 2010 and October 11, 2010. If granted, the variance would allow ALON to simultaneously shut down both compressors in order to conduct a complete and thorough cleaning and/or repair of the flare gas recovery system.

The District believes that the required findings can be met and recommends that Alon be granted a short variance with the conditions as stated on pages four and five of the staff report.

Petitioner, Max Sims thanked Patrick Houlihan for his help and stated that the District's presentation accurately captures the content of Alon's petition.

Public Comments:	None
Motion:	Wolber
Second:	Stovall
AYES:	Wolber, Dunn, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	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.

Nancy Dunn left the meeting at 12:55 PM.

I. S-10-13i Interim Kawneer Company, Inc.  
7200 West Doe Avenue  
Visalia, CA 93291

Petitioners: Eric King, David Wallace, and Kevin Madry

Patrick Houlihan presented the report. Kawneer has requested an interim variance to be followed by a regular variance, to provide relief from the requirements of District Rule 4603. The requested interim variance period will be from July 14, 2010 until September 8, 2010, or until the Southern Region Hearing Board can hear the petition for the regular variance, whichever occurs first. If granted, the variance would allow for the continued operation of the metal parts coating operation controlled by a VOC control device that does not meeting 90% control efficiency.

The District believes that the required findings can be met and recommends that Kawneer be granted an interim variance with the conditions as stated on pages three, four, and five of the staff report.

Petitioner, Eric King thanked Patrick Houlihan for his help and stated that the District's presentation accurately captured the content of Kawneer's petition.

Based on the calculation of emissions, Petitioner, Kevin Madry, requested that the District entertain a different VOC emission output than what is currently in condition #5. Kawneer brought a chart that showed increased output numbers and based on that report, the District and petitioner will agree to the following change:

*Condition #5 should read: Excess VOC emissions shall not exceed 1,312 pounds over the duration of the variance period.*

Public Comments:	None
Motion:	Stovall
Second:	Wolber
AYES:	Wolber, Bland, Carlile; Stovall
NAYS:	None
Absent:	Dunn

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 Condition #5 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: None
9. NEXT SCHEDULED MEETING: Wednesday, August 11, 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 meeting was adjourned at 12:29 p.m.