

Action Summary Minutes SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room

34946 Flyover Court, Bakersfield, CA 93308

Wednesday, May 12, 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

Staff present - Southern Region (Bakersfield): Emily Gonzalez-Demont

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 APRIL 14, 2010

The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of April 14, 2010. Hearing none, the Minutes of April 14, 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.

^{*}Bill Bland attended in the central region.

Southern Region Hearing Board ACTION SUMMARY MINUTES May 12, 2010

A. S-09-22X Extension Chevron USA, Inc. P. O. Box 1392

Bakersfield, CA 93302

Petitioners: John Gruber

Patrick Houlihan presented the report. Chevron USA, Inc. (CUSA) is requesting an extension of the regular variance for a period between July 1, 2010, and December 31, 2011, to allow the continued operation of the 25 combustion turbine generators for more than 90 days beyond a major overhaul without meeting the Tier 3 emissions limits specified in rule 4703.

Patrick Houlihan pointed out the Increments of Progress have been added as an attachment to the end of this staff report. Petitioner, John Gruber, stated their petition was presented accurately and stated the extension will allow them to continue to focus on the retrofits on a plant-wide basis, instead of one unit at a time. Hollis Carlile and John Gruber discussed the difference between retrofitting and upgrading and what impact it has on emissions.

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.

B. S-10-22S Short Chevron USA, Inc.

P O Box 1392

Bakersfield CA 93302

Petitioners: John Gruber

Bob Langner

Patrick Houlihan presented the report. Chevron USA, Inc., (CUSA) is seeking a short variance for a cumulative non-consecutive 20-day period between June 20, 2010, and September 17, 2010, to allow the continued storage of VOC containing liquids in the subject tanks without a functional or operating VRS while portions of the VRS line and its components are inspected, cleaned, and/or replaced.

Patrick Houlihan pointed out a change on page six (6), Condition 6. A pre-sentence will be added, to read as follows:

6. A one time notification shall be given prior to start of work on the water plant and again on the oil plant. CUSA shall notify the District at least 24 hours, but no more than 72, before the VRS is scheduled to be shut down.

Petitioner, John Gruber, stated the District's presentation accurately captured their request and added that the planned activities are preventative to ensure they stay in compliance with District rules. The piping upgrades are intended as design improvements. They plan to install larger-diameter pipes and change the slopes to ease draining and eliminate low spots.

Hollis Carlile mentioned their report is not detailed enough. Their report is more complex than is presented here. He felt they should provide APCD with more background regarding physical systems affecting chemical systems.

John Stovall stated he felt there was enough information in the report to support their variance request and suggested they provide a supplementary statement to staff.

Public Comments: None

Motion: Dunn Second: Stovall

AYES: Wolber, Dunn, 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.

C. S-10-20R Regular Styrotek, Inc.

P. O. Box 1180

Delano, CA 93216-1180

Petitioners: Doug McCormick

Dale Arthur

Patrick Houlihan presented the report. Styrotek, Inc. is requesting a regular variance for a period between May 12, 2010, and September 20, 2010, to allow the continued operation of the expanded polystyrene molding operation until the RTO returns to 99% destruction efficiency.

Patrick Houlihan pointed out a change on page four (4), Condition 6. Strike out the word week and replace it with the word month, to read as follows:

6. Styrotek shall collect from the RTO influent and effluent bag samples once a month and have those samples analyzed at a laboratory to determine destruction efficiency.

Petitioner, Doug McCormick, indicated Styrotek began collecting bag samples and got variable data, showing control efficiencies from 98.2% to 99.2%. Both inlet and outlet samples fluctuated. They have a control device that allows raw gas to go out the stack every time it switches beds. They also checked into similar facilities within the District and discovered they all have the same issues and they are permitted at less than 98% control efficiency. The change to condition 6 to monthly samples is acceptable and they will continue to collect samples on a monthly basis. They don't see a design issue with the unit. It's a collection efficiency issue. They will continue to work with the manufacturer to find a solution.

Public Comments: None

Motion: Stovall Second: Wolber

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.

D. S-10-21S Short Styrotek, Inc.

P. O. Box 1180

Delano, CA 93216-1180

Petitioners: Doug McCormick

Dale Arthur

Patrick Houlihan presented the report. Styrotek, Inc. is seeking a short variance period to occur between May 2, 2010, and May 14, 2010, to allow the continued postponement of the biennial source test.

Petitioner, Doug McCormick, pointed out they could not proceed with their source test due to an electrical problem, which severely damaged the circuit board that controls the Air/Fuel Ratio Controller. That failure lead to multiple repair, replacement and rewiring activities. The engine is up and running and the source test is scheduled for Friday, May 14th.

Public Comments: None

Southern Region Hearing Board ACTION SUMMARY MINUTES May 12, 2010

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.

E. S-10-23S Short Macpherson Oil Company

P O Box 5368

Bakersfield, CA 93388

Petitioners: Doug McCormick

Richard Scholl

Patrick Houlihan presented the report. Macpherson Oil Company (MOC) is seeking a short variance period from May 15, 2010, to August 12, 2010, to allow the subject tank to be isolated from the VRS so that it can be degassed, drained and cleaned.

Petitioner, Doug McCormick, pointed out he came before the Board last fall for the same reason, but additional maintenance issues were discovered at that time which prompted other equipment needing to be repaired instead. Macpherson was not able to do the repairs to this particular tank within the original variance period, which is why they are back today. Hollis Carlile asked if they know what is causing the leak.

Petitioner, Richard Scholl, pointed out these tanks have been in operation for about 12 years and its most likely internal corrosion at the bottom of the tanks. Hollis Carlile pointed out it could be either quite extensive or minor and asked if the bottom of the tank was coated. Mr. Scholl stated they don't know at this time, but plans are to coat the tank.

Public Comments: None

Motion: Dunn Second: Wolber

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 no 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, June 9, 2010, 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 11:07 a.m.