



Action Summary Minutes

SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room

34946 Flyover Court, Bakersfield, CA 93308

Wednesday, September 8, 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	Absent
Nancy Dunn – Public	Present
Hollis Carlile (chair) - Engineer	Present
Bill Bland, Public	Absent
John Stovall – Attorney	Present
Donna Carpenter, Public Alternate	Present

Staff present - Southern Region (Bakersfield): Amelia Yuan, 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 Michelle Banuelos, acting as Clerk to the Board.

3. APPROVE MINUTES OF AUGUST 11, 2010

The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of August 11, 2010. Hearing none, the Minutes of August 11, 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-10-42R Regular San Joaquin Community Hospital
P O Box 2615
Bakersfield, CA 93301

Petitioner: Bob Easterday

Patrick Houlihan presented the report. San Joaquin Community Hospital has requested a regular variance from September 8, 2010 to April 12, 2011, to allow the use of the subject boilers with NO_x emissions in excess of those which are allowed by Rule 4307.

Petitioner, Bob Easterday, stated their plans are almost complete. The boilers have been ordered, they have submitted their PEER permit applications to the District, and an emergency plan review is in the works with the Office of Statewide Health & Planning Development. At this time the boilers are offline.

Donna Carpenter asked when the boilers were turned on last winter. Mr. Easterday explained that they have two buildings. One boiler is fine for the summer months, but not winter. Last winter they operated the non-compliant boilers through winter.

Public Comments:	None
Motion:	Dunn
Second:	Stovall
AYES:	Carpenter, Dunn, 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 on page 4 of the staff report.

B. S-10-48S Short Chevron USA Inc.
P O Box 1392
Bakersfield, CA 93302

Petitioners: Martin Lundy, David Moore

Patrick Houlihan presented the report. Chevron USA, Inc. (CUSA) has requested a short variance period from September 13, 2010 and December 12, 2010, to allow for the continued storage of VOC containing liquids in the tanks and vessels without a functional or operating VRS while CUSA implements the flare upgrades.

Petitioner, Martin Lundy thanked Patrick Houlihan and stated the District's staff report was accurate. Mr. Lundy added that they need to add a flow meter due to the greenhouse gas rule.

Donna Carpenter commented on the 336-hour time period request. Mr. Lundy answered they calculate in hours, but this should cover at least a 14 day period.

Public Comments:	None
Motion:	Stovall
Second:	Carpenter
AYES:	Carpenter, Dunn, 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-10-49S	Short	Chevron USA Inc. P O Box 1392 Bakersfield, CA 93302
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Petitioners: John Gruber, Bob Langner, Robert Banker

Patrick Houlihan presented the report. Chevron USA, Inc. has requested a short variance period for a cumulative 4 day period to occur sometime between September 10, 2010 and December 9, 2010, to allow CUSA to depressurize the subject pressure vessels and open them to atmosphere so they can install new level gauges and controls.

Petitioner John Gruber added that the existing remote control experimentation includes gauging the replacement level control switches. With these replacement switches, the subject vessels can be monitored remotely from the control room. Also, high level alarms will be incorporated for better tracking of fluid levels in the vessels. He wished to recommend a change to condition number One (1), page three. Change the words *four day* with the words *96 hour*, to read as follows:

The variance shall be effective for a cumulative 96 hour period to occur sometime between September 10, 2010, and December 9, 2010, or until CUSA has returned the vessels to a pressurized status, whichever occurs first.

Mr. Gruber requested clarification of Recommendation number Five (5), page three.

Does CUSA have to notify the District at least 24 hours prior to working on each vessel or prior to the first vessel? Patrick Houlihan agreed that the District requires one notification at the start of the whole process. Mr. Gruber stated their plan is to start and continue until all vessels are completed.

Hearing Board member John Stovall wished to state for the record that the District was in agreement with the change in condition one (1). Patrick Houlihan stated the District is in agreement with the change.

Donna Carpenter asked if tanks are exempt under District Rule 4623 and was it necessary for them to appear before the board. Patrick Houlihan stated that when the permits for these particular tanks were issued, they had one condition which listed Rule 4623. The variance is to provide relief from those permit conditions, but yes, 4623 exempts' pressurized vessels but they do have to follow the provisions of Rule 4409.

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.

Public Comments:	None
Motion:	Dunn
Second:	Stovall
AYES:	Carpenter, Dunn, Carlile, Stovall
NAYS:	None
RECUSED:	None

D.	S-10-50S	Short	Chevron USA Inc. P O Box 1392 Bakersfield, CA 93302
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Petitioners: Larry Landis, Hugo Leon

Patrick Houlihan presented the report. Chevron USA, Inc. has requested a short variance for a consecutive 72-hour period to occur sometime between September 8, 2010, and December 7, 2010, to allow the continued storage of VOC containing liquids in the subject tanks without a functional and operating VRS while CUSA adds the new tank to the existing VRS.

Petitioner, Larry Landis, stated there are no provisions in the rules to allow them to shut down the existing facility in order to tie in the new tanks, so they need the variance to do that. While they believe the work will be done rather quickly, there is a safety margin in their 72-hour request.

Public Comments:	None
Motion:	Carpenter
Second:	Stovall
AYES:	Carpenter, Dunn, 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-10-51S	Short	Aera Energy LLC 59231 Main Camp Road McKittrick, CA 93251
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Petitioners: Ryan Nikkel, John Haley

Patrick Houlihan presented the report. Aera Energy, LLC has requested a short variance for a consecutive 30 day period to occur sometime between September 9, 2010, and November 30, 2010, to allow the VRS gas to flow to the flare untreated while the Sulfatreat vessel is repaired.

Hollis Carlile brought attention to condition number Six (6). The word *hours* should be inserted after 96, to read as follows:

AERA shall notify the District at least 24 hours, but no earlier than 96 hours, prior to removing the Sulfatreat vessel from service.

Petitioner, John Haley thanked Patrick Houlihan for the accurate report and wished to add they are going to take the opportunity to change the sulfatreat media because it doesn't regenerate, it just degrades. When they are back online they will be operating at a higher sulfur removal efficiency than they would offline.

Hollis Carlile asked about the thinning of the insides of the vessels. Petitioner Ryan Nikkel stated they will be doing a visual examination to really see what's inside the vessel.

Nancy Dunn asked if thickness testing is mandated. Patrick Houlihan stated the District strongly recommends maintenance programs to check for wall thickness or corrosion.

Hollis Carlile asked how old the unit was. Mr. Nikkel answered it was first installed in 1977.

Public Comments:	None
Motion:	Dunn
Second:	Carpenter
AYES:	Carpenter, Dunn, 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.

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, October 13, 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 11:00 a.m.