

Action Summary Minutes

SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room
34946 Flyover Court, Bakersfield, CA 93308

Wednesday, January 11, 2012, 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:

Robert Moeller – Medical	Present
Hollis Carlile (Chair) – Engineer	Present
John Stovall – Attorney	Present
Nancy Dunn – Public	Present
William Bland – Public	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, Legal Counsel, Michelle Franco, Deputy Clerk to the Board

3. APPROVE MINUTES OF DECEMBER 14, 2011
The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of December 14, 2011. Hearing no comments, the Chair declared the minutes 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-11-75S Short Chevron USA Inc.
PO Box 1392
Bakersfield, CA 93302

Petitioners: Larry Landis, David Grishaber

CUSA has requested a short variance from District Rules 1081, 2010, 2070.7.0, 2201, 2520, 4305, 4306, and 4320, in addition to conditions of the subject Authority to

Construct (ATC) and Permit to Operate (PTO). The requested variance period would be for a consecutive 45-day period to occur from January 28, 2012, until April 27, 2012. If granted, the variance would allow CUSA to flex the last 45 days of the shakedown period; and postpone the required start-up compliance source test until the drilling program is complete

Mr. Houlihan noted that there were some changes made to the staff report. Condition #1 on page 4 was modified slightly so CUSA could take advantage of the full 90-days that the short variance allows for.

Mr. Landis thanked Mr. Houlihan for his accurate representation of the petition. He stressed that is just an administrative matter and there will be no excess emissions.

Public Comments: None

Having decided the petition has met the required findings, on motion of Mr. Stovall and seconded by Ms. Dunn, unanimously passed, the petitioner was granted a short variance.

B.	S-11-76S	Short	Bowman Asphalt, Inc. 3527 Brian Way Bakersfield, CA 93308
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Petitioners: Devin Embree

BOWMAN has requested a short variance from District Rules 1081, 2010, 2201, and 4309, in addition to the applicable Authority to Construct (ACT). The requested variance period would be from December 23, 2011, until March 22, 2012. If granted, the variance would allow BOWMAN to postpone the start-up compliance source test.

Mr. Houlihan noted that there were some changes made to the staff report. Under "Nature of the Problem", the second to last sentence in the second paragraph should read "

However, in order to complete a compliance source test, they will need an asphalt order large enough so that they can run the dryer continuously throughout the duration of the source test.

Condition #6 on page 4 was modified due to the sporadic contracting they weren't sure they would use the portable analyzer once a week. This leads to a new Condition, #7 inserted after #6, renumbering of the remaining Conditions, with changes to #10. All changes will be noted on the Summary Report upon the conclusion of the Variance.

Mr. Embree thanked Mr. Houlihan for his accurate representation of the petition. He added that Hauck has been on site several times to help with this situation. Hauck's head of engineering will be out on January 23, 2012 to look at the equipment and figure out what's wrong.

Public Comments: None

Having decided the petition has met the required findings, on motion of Ms. Dunn and seconded by Mr. Bland, unanimously passed, the petitioner was granted a regular variance.

C. S-11-77S Short Chevron USA Inc.
PO Box 1392
Bakersfield, CA 93302

Petitioners: David Bone

CUSA has requested a short variance from District Rules, 2070.7.0, 2520, and 4623, in addition to conditions of the applicable Permits to Operate (PTOs). The requested variance period would be for a non-consecutive 48-hour period to occur sometime between, and including, February 7, 2012, and May 6, 2012. If granted, the variance would allow the continued production/storage of VOC containing liquids in tanks without a functional or operating VRS.

Mr. Bone thanked Mr. Houlihan for his accurate representation of the petition. He stated that CUSA is having several scheduling conflicts and consequently will miss the deadline for a previously approved variance # S-11-57S. The work has not yet been started and to further compound the scheduling difficulties, there has been a contract change. Mr. Bone missed the date to extend that variance period, so he's filed a new petition.

Public Comments: None

Having decided the petition has met the required findings, on motion of Mr. Bland and seconded by Mr. Stovall, unanimously passed, the petitioner was granted a short variance.

D. S-11-78S Short Mt. Poso Cogeneration Company, Inc.

Petitioners: William Dickson

MT POSO has requested a short variance from District Rules 1080, 1081, 2010, 2070.7.0, 2201, 2520, 4001 and 4352 in addition to the applicable Authorities to Construct (ATCs) and Permit to Operate (PTO). The requested variance period would be from January 1, 2012, and March 30, 2012. If granted, the variance would allow MT POSO to postpone the start-up compliance source test and the upcoming RATA for the CEMS.

Mr. Dickson thanked Mr. Houlihan for his accurate report. After a plant shut-down and conversion period, the plant started up again on November 12, 2011. Due to design and mechanical issues with equipment provided we have had difficulty in meeting load and staying on line. We've worked closely with the vendor and third-party consultants who have identified the mechanical and design issues. New parts have been ordered

and will arrive by the end of January 2012. We feel that the new conveyors will provide uniform feed qualities and will make the desired load to the boiler.

Public Comments: None

Having decided the petition has met the required findings, on motion of Mr. Bland and seconded by Mr. Stovall, unanimously passed, the petitioner was granted a short variance.

5. The Southern Region Hearing Board has not heard nor granted any emergency variances since the December 14, 2011, Hearing Board meeting.

6. PUBLIC COMMENTS: None.

7. HEARING BOARD MEMBER COMMENTS:

Election of Hearing Board Chair for 2012 - Hollis Carlile

Motion: Dunn

Second: Stovall

AYES: Dunn, Stovall, Moeller

NAYS: None

Abstain: Bland, Carlile

Election of Hearing Board Vice-Chair for 2012 - Bill Bland

Motion: Dunn

Second: Stovall

AYES: Dunn, Stovall, Moeller

NAYS: None

Abstain: Bland, Carlile

8. NEW BUSINESS: None.

9. NEXT SCHEDULED MEETING: Wednesday, February 8, 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 meeting was adjourned at 11:09 a.m.