

San Joaquin Valley Air Pollution Control District
SOUTHERN REGION HEARING BOARD MEETING

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

ACTION SUMMARY MINUTES

Wednesday, December 11, 2013

*Meeting held via teleconferencing with the
Central Region Office (Fresno) and the
Southern Region Office (Bakersfield)*

1. CALL MEETING TO ORDER

The Chair, William Bland, called the meeting to order at 10:05 a.m.

2. ROLL CALL

Dr. Dean Haddock – Medical	Present
William Bland – Public	Present
Daniel Padilla – Engineer	Present

Staff Present:

Southern Region (Bakersfield): Amelia Yuan, Supervising Air Quality Inspector

Central Region (Fresno): Patrick Houlihan, Senior Air Quality Specialist; Ryan Hayashi, Supervising Air Quality Specialist; Annette Williamson, Legal Counsel; Carol Flores, Operations and Program Support Supervisor

3. APPROVE MINUTES OF November 18, 2013

The Chair asked if there were any comments regarding the Minutes for November 18, 2013. Hearing no comments, the Chair declared the minutes were approved as submitted.

4. PUBLIC HEARING

The Chair swore in all those present to testify for all matters.

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
A. S-13-58S	Short	Chevron USA Inc. 31E Oil Cleaning Plant Midway Sunset Oil Field

Petitioners: Ashley Dahlstrom, John Gutierrez and Steve Enns

Patrick Houlihan presented the Staff Report.

CUSA has requested a short variance from the applicable requirements of District Rules 2201, 2070.7.0, 2520, 4401, and 4623, in addition to applicable conditions of the PTOs. The requested variance would be for a non-consecutive 21-day period to occur sometime between December 11, 2013, and March 10, 2014, inclusive. If

granted, the variance would allow CUSA to continue to store VOC containing liquids in tanks without a functional or operating VRS while CUSA installs the two new compressors. In addition, it will allow wells with closed casing vents to produce into tanks that do not have a functional or operating VRS.

Mr. Padilla asked if the facility has other options to reduce emissions during the requested variance period. Ms. Dahlstrom explained the 21-day period is an estimate and the facility attempts to keep the volume in the tanks at a constant level during the installation which will reduce emissions. Mr. Padilla asked about the size of the compressors and why installation would appear to take such a long time. Ms. Dahlstrom explained that in addition to installing compressors there will also be new VRS piping installed.

Public Comments: None

Having decided the petition had met the required findings, on motion of Dr. Haddock and seconded by Mr. Padilla, unanimously passed, the petitioner was granted a short variance.

Taken out of order

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
D. S-13-65S	Short	Chevron USA Inc. Station 31 Midway Sunset Oil Field

Petitioners: Ashley Dahlstrom and Steve Enns

Patrick Houlihan presented the Staff Report.

CUSA has requested a short variance from applicable requirements of District Rules 2070.7.0, 2201, and 4623 in addition to the applicable conditions on the subject (PTOs). The requested short variance period would be for a non-consecutive 48-hour period to occur sometime between December 11, 2013, and March 10, 2014, inclusive. If granted, the short variance would allow for the continued storage of VOC containing liquids in the tanks without a functional or operating VRS while CUSA replaces the subject breaker.

Ms. Dahlstrom clarified the existing boilers with a permit exempt equipment registration (PEER) may be used if functional.

Public Comments: None

Having decided the petition had met the required findings, on motion of Mr. Padilla and seconded by Dr. Haddock, unanimously passed, the petitioner was granted a short variance.

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
E. S-13-66S	Short	Chevron USA Inc. 2F, 31E, & 29D Oil Cleaning Plants 2F, 31E, & 1F Casing Collection Systems Midway Sunset Oil Field

Petitioners: Ashley Dahlstrom and Steve Enns

Patrick Houlihan presented the Staff Report.

CUSA has requested a short variance from the applicable requirements of District Rules 2201, 2070.7.0, 2520, 4401, and 4623, in addition to applicable conditions of the PTOs. The Requested variance would be for a non-consecutive 14-day period to occur sometime between December 11, 2013, and March 10, 2014, inclusive. If granted, the variance would allow CUSA to continue to store VOC containing liquids in tanks without a functional or operating VRS. In addition, it will allow wells with closed casing vents to produce into tanks that do not have a functional or operating VRS.

Mr. Bland pointed out the maintenance will not be on the 18 storage tanks that will not have an operating and functioning VRS. Ms. Dahlstrom responded affirmatively.

Mr. Padilla asked how the different variances coordinate to determine the excess emissions. Mr. Houlihan explained District staff requested Chevron to submit separate variances. He added the time periods specified does not mean the work will be performed concurrently. Mr. Padilla expressed concern regarding excess VOC emissions due to the separate variances. Mr. Houlihan explained the petitioner will have to mitigate excess emissions. Mr. Hayashi explained petitioners are asked to separate variances if the projects will not be completed simultaneously. He added variance relieve is not required after the project is completed. Ms. Dahlstrom explained projects are customarily performed concurrently but due to the holidays it was not possible.

Dr. Haddock asked if the petitioners present go to the locations of the maintenance being performed. Ms. Dahlstrom explained Mr. Enns does go on location to view repairs and maintenance projects.

Public Comments: None

Having decided the petition had met the required findings, on motion of Dr. Haddock and seconded by Mr. Padilla, unanimously passed, the petitioner was granted a short variance.

The Chair called for a short recess due to technical difficulties.

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
B. S-13-63S	Short	Berry Petroleum Company Fairfield Water Plant Midway Sunset Oil Field Taft, CA

Petitioners: Robert Boston

Patrick Houlihan presented the Staff Report.

BPC has requested a short variance from the applicable requirements of District Rules 2070.7.0, 2201, 2520, and 4623, in addition to the applicable conditions of the PTOs. The requested variance period would be effective for a consecutive two-day period to occur sometime between December 11, 2013, and December 20, 2013, inclusive. If granted, the variance would allow BPC to continue to receive and store water in the subject tanks without a functional or operating VRS while they install the isolation valves.

Mr. Boston explained the locations of the wells and tanks and reviewed the process of the fluids that travel through them. He added the facility is new and the isolation valve was not installed between the two tanks in question.

Public Comments: None

Having decided the petition had met the required findings, on motion of Mr. Padilla and seconded by Dr. Haddock, unanimously passed, the petitioner was granted a short variance.

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
C. S-13-64S	Short	Aera Energy LLC Lockwood Dehydration Facility Midway Sunset Oil Field

Petitioners: Robert Beebout

Patrick Houlihan presented the Staff Report.

Aera has requested a short variance from the applicable requirements of District Rules 2070.7.0, 2201, 2520, 4401, and 4623, in addition to applicable conditions of the Permits to Operate (PTOs). The requested short variance would be for a consecutive 144-hour period to occur sometime between December 11, 2013, and March 10, 2014, inclusive. If granted, the variance would allow the continued storage of VOC containing liquids within the subject petroleum storage tanks without a functional or operating VRS while AERA replaces the transformer. It would also allow for the well casing collection system VRS to go offline and not remain gas-tight.

Mr. Beebout stated staff discovered the transformer had a small leak immediately before the previous shut down but repairs could not be made and there was no cause for an emergency variance.

Public Comments: None

Having decided the petition had met the required findings, on motion of Dr. Haddock and seconded by Mr. Padilla, unanimously passed, the petitioner was granted a short variance.

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
F. S-13-67S	Short	ExxonMobil Production Company Hill Property South Belridge Oil field 18271 Highway 33 McKittrick, CA 93251

Petitioners: Brian Smith

Patrick Houlihan presented the Staff Report.

ExxonMobil has requested a short variance from the applicable requirements of District Rules 2070.7.0, 2201, 2520, and 4623, in addition to the applicable conditions of the PTOs. The requested variance period would be effective for a consecutive 14-day period to occur sometime between December 11, 2013, and March 10, 2014, inclusive. If granted, the variance would allow ExxonMobil to continue to store VOC containing liquids in the subject tanks without a functional or operating VRS while they relocate the VRS compressor skid.

Mr. Smith added the associated piping is being replaced with stainless steel to prevent corrosion in the future.

Public Comments: None

Having decided the petition had met the required findings, on motion of Dr. Haddock and seconded by Mr. Padilla, unanimously passed, the petitioner was granted a short variance

5. EMERGENCY VARIANCE
The Southern Region Hearing Board has not heard nor granted an emergency variance since the November 18, 2013, Hearing Board meeting.
6. PUBLIC COMMENTS
No public comment.
7. HEARING BOARD MEMBER COMMENTS
None.
8. NEW BUSINESS
None

9. NEXT SCHEDULED MEETING

The next scheduled meeting is January 8, 2014. The meeting will be held via teleconferencing in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) participating via teleconferencing.

10. ADJOURN

The Chair adjourned the meeting at 11:01 a.m.