

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

Southern Region Office Kaweah Room
34946 Flyover Court, Bakersfield, CA 93308

ACTION SUMMARY MINUTES

Wednesday, November 18, 2013

This Hearing was continued from November 13, 2013

*Meeting held in the
Southern Region Office (Bakersfield)*

1. CALL MEETING TO ORDER

The Chair, William Bland, called the meeting to order at 10:32 a.m.

2. ROLL CALL

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

Staff Present:

Mike Oldershaw, Air Quality Compliance Manager; Patrick Houlihan, Senior Air Quality Specialist; Annette Williamson, Legal Counsel; Carol Flores, Operations and Program Support Supervisor

3. APPROVE MINUTES OF October 9, 2013

The Chair asked if there were any comments regarding the Minutes for October 9, 2013. Hearing no comments, the Chair declared the minutes were approved as submitted.

4. PUBLIC HEARING

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

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
A. S-13-55S	Short	Aera Energy LLC Metson Lease 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, and 4623, in addition to applicable conditions of the subject PTOs. The requested short variance would be for a consecutive 144-hour

period to occur sometime between November 13, 2013, and February 10, 2014, inclusive. If granted, the variance would allow the continued storage of VOC containing liquids in the subject tanks without a functional and operating VRS while Aera re-routes the electrical lines.

Mr. Beebout thanked Mr. Houlihan for the presentation. Mr. Beebout added the facility explored other options but found none except to move the above ground electrical distribution lines.

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>
B. S-13-56S	Short	Aera Energy LLC MOCO & National Dehydration Facilities Midway Sunset Oil Field

Petitioners: Robert Beebout

Patrick Houlihan presented the Staff Report.

Aera has requested a short variance from applicable requirements of District Rules 2070.7.0, 2201, 2520, 4401, and 4623, in addition to conditions of the applicable Permits to Operate (PTOs). The requested short variance would be for a consecutive 96-hour period to occur sometime between December 1, 2013, and February 28, 2014, inclusive. If granted, the short variance would allow for the continued storage of VOC containing liquids in the subject tanks without a functional or operating VRS while Aera conducts the subject maintenance at the MOCO water plant.

Mr. Beebout further explained the water plant shut down to electrically tie in a new booster pump for the soft water system will allow other maintenance to occur without a separate variance.

Mr. Padilla asked if the other maintenance activities are related to the soft water. Mr. Beebout explained the maintenance activities are in the water plant.

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>
C. S-13-57S	Short	Chevron USA Inc. Monterey Central Plant Kern River Oil Field

Petitioners: Steve Falke and Daniel Beck

Patrick Houlihan presented the Staff Report.

CUSA has requested a short variance from the applicable requirement of District Rules 2010, 2070.7.0, 2201, 2520, 4401, and 4623 in addition to conditions of the applicable Authority to Construct (ATC) and Permits to Operate (PTOs). The requested short variance period would be effective for a consecutive 120-hour period to occur sometime between November 17, 2013, and February 14, 2014, inclusive. If granted, the variance would allow the continued storage of volatile organic compound (VOC) containing liquids in the subject petroleum storage tanks without a functional or operating VRS while the maintenance is conducted. In addition, it will allow wells with closed casing vents to produce into tanks that do not have a functional or operating VRS.

Mr. Beck added another maintenance project will be added to the current maintenance tasks. Mr. Falke added safety precautions are in place.

Mr. Padilla asked how the facility will measure the actual excess emissions. Mr. Houlihan explained the facility will estimate the quantity dependent upon the time period the equipment is offline.

Public Comments: None

Having decided the petition had met the required findings, on motion of Mr. Stovall 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>	
D. S-13-58S	Short	Chevron USA Inc. 31E Oil Cleaning Plant Midway Sunset Oil Field	<i>continued</i>

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
E. S-13-59S	Short	Pixley Ethanol LLC 11704 Road 120 Pixley, CA 93256

Petitioners: Paul Lopez

Patrick Houlihan presented the Staff Report.

Pixley has requested a short variance from the applicable requirements of District Rules 2070.7.0 and 2201 in addition to the applicable conditions of the subject Permits to Operate (PTOs). The requested short variance would be for a consecutive 24 hour period to occur on November 21, 2013. If granted, the variance would allow for continued ethanol production while the RTO is shut down for preventative maintenance.

Mr. Houlihan noted modifications to the following conditions:

1. The variance shall be effective for a consecutive 24 hour period to occur on November 21, 2013
7. No later than December 9, 2013, Pixley shall submit to the district a written report.

Mr. Stovall asked what is the speciation of the VOCs coming out of the process. Mr. Lopez explained the majority is alcohol that wasn't captured. He added the system runs at 1600° to destroy VOCs.

Dr. Haddock asked the cost if the facility shut down and the number of people affected. Mr. Lopez explained employees may be placed on lay off status and the cost would be approximately based at 164,000 gallons at each fermentation process and would be quite costly.

Public Comments: None

Having decided the petition had met the required findings, on motion of Mr. Stovall 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-13-60S	Short	ExxonMobil. Hill Property South Belridge Oil Field 18271 Highway 33 McKittrick, CA 93251	<i>withdrawn</i>

5. EMERGENCY VARIANCE

The Southern Region Hearing Board granted four emergency variances since the October 9, 2013, Hearing Board meeting.

6. Public Comments

None.

7. Hearing Board Member Comments:

Mr. Bland thanked everyone for attending.

8. New Business:

None.

9. NEXT SCHEDULED MEETING

The next scheduled meeting is December 11, 2013. 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 11:15 a.m.