

**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 10, 2014**

*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 10:04 a.m.

2. Roll Call

William Bland (Chair) – Public	Present
John Stovall – Attorney	Present
Daniel Padilla – Engineer	Present
Donna Carpenter – Public	Present

Staff Present:

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

Central Region (Fresno): Clay Bishop, Supervising Air Quality Specialist; Patrick Houlihan, Senior Air Quality Specialist; Jessi Fierro, Assistant Legal Counsel; Carol Flores, Operations and Program Support Supervisor

3. Approve Minutes of November 12, 2014

The Chair asked if there were any comments regarding the Minutes for November 12, 2014. Having decided the Minutes were accurate, on motion of Mr. Stovall and seconded by Mr. Padilla unanimously passed, the Minutes were approved with no changes.

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-14-67R	Regular	Chevron USA Inc 31X Oil Cleaning Plant Midway Sunset Oil Field

Petitioners: Dave Bone and Anthony Goyette

Mr. Houlihan presented the Staff Report.

Chevron has requested a regular variance from the applicable requirements of District Rules 2010, 2070, 2201, 2520 and 4623 in addition to applicable conditions of the subject permits. The requested variance period would be effective for a non-consecutive 480-hour period to occur sometime between January 2, 2015, and January 1, 2016, inclusive. If granted, the variance would allow Chevron to temporarily operate the 31X OCP tanks and WEMCOs while the VRS shutdown. During this time, steam enhanced wells will continue to produce to the OCP without vapor control. However, vapors from the tanks and WEMCOs will flow to the 31X Flare for incineration. This may also cause an exceedance of the daily permitted limit of sour gas incinerated by the 31X Flare.

Mr. Houlihan noted the following modifications to the Recommendations:

2C. Add Condition 14

2D. Add Condition 5

2G. Permit should read S-1128-934-9 and add Condition 13

The petitioners had no further comments.

Mr. Stovall asked if the issue would be catastrophic if a VRS replacement could not be completed and something then failed. Mr. Bone stated if the obsolete PLCs were to fail then there would be difficulty in putting a system in place in a short period of time.

Mr. Padilla asked how many separate times would work be done to complete the project. Mr. Goyette explained it's not possible to take down single pieces of equipment so there must be multiple occurrences for completing the project. Mr. Houlihan noted there is a list of milestones in the agenda packet.

Ms. Carpenter asked if there is a new facility being constructed and one shutting down. Mr. Goyette explained the new facility is already built including the control system but operations are still connected to the prior control system. Ms. Carpenter asked if the plant will be decommissioned. Mr. Bone stated no part of the plant will be decommissioned. He explained the only thing that will be occurring is switching the computers that are operating the facility.

Mr. Padilla asked if reports will be made to the District periodically. Mr. Houlihan explained each time the VRS is shut down there must be an advanced warning and the District may send an inspector. Mr. Bone added a deviation report will be filed each time a VRS is shut down.

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 regular variance.

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
B. S-14-73S	Short	Chevron USA Inc Monterey Central Plant Kern River Oil Field

Petitioners: Yuhong Liu and John Roach

Mr. Houlihan presented the Staff Report.

Chevron has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, 4401, and 4623 in addition to applicable conditions of the subject permits. The requested short variance period would be effective for a non-consecutive 120-hour period to occur sometime between December 11, 2014, and March 10, 2015, 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 they are upgrading and adding a new fin-fan. In addition, it will allow wells with closed casing vents to produce into tanks that do not have a functional or operating VRS.

Mr. Liu commented Chevron is planning to add a second fin-fan for redundancy and hope to avoid future breakdowns.

Public Comments: None

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

5. Emergency Variance

The Southern Region Hearing Board heard and granted three emergency variances since the November 12, 2014, Hearing Board meeting.

6. Public Comments

None.

7. Hearing Board Member Comments

None

8. New Business

Mr. Houlihan reminded members of election of new officers at the next meeting.

9. Next Scheduled Meeting

The next scheduled meeting is January 14, 2015. The meeting will be held via video teleconferencing in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) participating via video teleconferencing.

10. Adjourn

The Chair adjourned the meeting at 10:32 a.m.