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, November 9, 2016

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 10:00 a.m.

2. Roll Call

William Bland (Chair) – Public Present
John Stovall – Attorney Present
Dr. Dean Haddock – Medical Present

Staff Present:

Southern Region (Bakersfield): Mike Oldershaw, Air Quality Compliance Manager;

Central Region (Fresno): Annette Williamson, District Counsel, Michael Carrera, Air Quality Compliance Manager, Clay Bishop, Supervising Air Quality Specialist; Patrick Houlihan, Senior Air Quality Specialist; Crystal Bussard, Air Quality Specialist; Shannon Moore, Air Quality Specialist; Carol Flores, Operations and Program Support Supervisor

3. Approval of Consent Calendar Items 9-11

These items are routine in nature and are usually approved by a single vote. Prior to action by the Hearing Board, the public will be given the opportunity to comment on any consent item.

- 9. Approve Minutes of October 12, 2016
- 10. Emergency Variance

11. Next Scheduled Meeting

The next scheduled meeting is on December 14, 2016. The meeting will be held in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) included via VTC.

Public Comments: None

Moved: Haddock

Seconded: Stovall

Ayes: Stovall, Bland, Haddock

Nays: None

Motion unanimously carried to approve Consent Calendar Items 9-11

4. Public Hearing

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

Docket No. Type Company Name

A. S-16-44S Short California Resources Production Corporation

McDonald Anticline Facility
McDonald Anticline Oil Field

Petitioners: Zachary Dransoff

Ms. Bussard presented the Staff Report.

California Resources Production Corporation (CRPC) has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, and 4623 in addition to applicable conditions of the subject permits. The requested short variance would be for a consecutive 48-hour period to occur sometime between November 10, 2016, and December 10, 2016, inclusive. If granted, it would allow the continued storage of VOC containing liquids in the subject tanks without a functional or operating VRS until maintenance is completed and electrical service is reinstated.

The petitioner had no further comments

Public Comments: None

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

B. S-16-45S Short Company Name
California Resources Production Corporation
Ant Hill Facility
Ant Hill Oil Field

Petitioners: Zachary Dransoff

Mr. Moore presented the Staff Report.

CRPC has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, and 4623 in addition to applicable conditions of the subject permits. The requested short variance would be a consecutive 48-hour period to occur sometime between November 10, 2016, and December 10, 2016, inclusive. If granted, it would allow the continued storage of VOC containing liquids in the subject

tanks without a functional or operating VRS until the compressor is returned to normal operation.

The petitioner had no further comments.

Public Comments: None

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

	Docket No.	Type	Company Name
C.	S-16-46S	Short	Aera Energy LLC W&S/Maxwell Dehydration Facility Midway Sunset Oil Field

Petitioners: Robert Beebout

Mr. Houlihan presented the Staff Report.

Aera has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, and 4623, in addition to applicable conditions of the subject permits. The requested short variance would be for a consecutive 144-hour period to occur sometime between November 9, 2016, and February 5, 2017, 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 performs the maintenance outlined above.

Dr. Haddock asked if the rain was the cause of the outage. Mr. Beebout explained the accumulation of dust on cross arms allowed the moisture to track; the project will find the transformer that is not working.

Public Comments: None

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

D.	Docket No. S-16-47S	<u>Type</u> Short	Company Name California Resources Production Corporation continued North Shafter Lease North Shafter Oil Field
E.	Docket No. S-16-48S	<u>Type</u> Short	Company Name California Resources Production Corporation Vedder Section 9 Facility Mount Poso Oil Field

Petitioners: Doug Shaffer

Mr. Moore presented the Staff Report.

CRPC has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, and 4623 in addition to applicable conditions of the subject permits. The requested short variance would be a consecutive 72-hour period to occur sometime between November 25, 2016, and December 20, 2016, inclusive. If granted, it would allow the continued storage of VOC containing liquids in the subject tanks without a functional or operating VRS until PG&E restores electrical power. It shall also provide that the collected vapors do not have to be incinerated in the heater treaters.

The petitioner had no further comments.

Public Comments: None

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

This item was taken out of order at the Chair's prerogative

	Docket No.	<u>Type</u>	Company Name
H.	S-16-51S	Short	California Resources Production Corporation Kern Front Facility Kern Front Oil Field

Petitioners: Zachary Dransoff

Mr. Moore presented the Staff Report.

CRPC 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 would be a consecutive 48-hour period to occur sometime starting November 20, 2016, through December 20, 2016. If granted, it would allow the continued storage of VOC containing liquids in the subject tanks without a functional or operating VRS until PG&E restores electrical power.

The petitioner had no further comments

Public Comments: None

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

This item was taken out of order at the Chair's prerogative

Docket No. Type Company Name

F. S-16-49S Short Chevron USA Inc.

8X NEMU & 15Z Oil Cleaning Plant McKittrick Oil Field

Petitioners: Kris Rickards, Matt Schroeder and Steve Enns

Mr. Houlihan presented the Staff Report.

Chevron has requested a short variance from the applicable requirements of District Rules 2010, 2070, 2201, 2520, and 4623, in addition to the applicable conditions of the subject permits. The requested variance would be for a non-consecutive 72-hour period to occur sometime between November 9, 2016, and February 5, 2017, inclusive. If granted, the variance would allow the continued storage of VOC containing liquids in tanks without a functional or operating VRS while the repairs are performed.

The petitioner had no further comments.

Public Comments: None

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

	Docket No.	<u>Type</u>	Company Name
G.	S-16-50S	Short	Chevron USA Inc. 26C Oil Cleaning Plant Midway Sunset Oil Field

Petitioners: Kris Rickards, Steve Enns and Ashley Armstrong

Ms. Bussard 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 variance period would be for a non-consecutive 240-hour period to occur sometime between November 14, 2016, and February 11, 2017, inclusive. If granted, the variance would allow Chevron to continue to store VOC containing liquids in the subject tanks without an operating or functional VRS while they conduct the maintenance and upgrades at the 26C Oil Cleaning Plant. In addition, it will allow wells with closed casing gas vents to produce into tanks that do not have a functional or operating VRS.

The petitioner had no further comments

Public Comments: None

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

5. Public Comments

None

6. <u>Hearing Board Member Comments</u>

None

7. New Business

Mr. Houlihan acknowledged the veterans in attendance in observance of the upcoming Veteran's Day holiday.

8. Adjournment

The Chair adjourned the meeting at 10:42 a.m.