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, September 14, 2016

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

1. Call Meeting to Order

The Vice Chair, John Stovall, called the meeting to order at 10:00 a.m.

Roll Call

John Stovall (Vice Chair) – Attorney Present
Dr. Dean Haddock – Medical Present
Nancy Dunn – Public Present
Daniel Padilla – Engineer Present

Staff Present:

Southern Region (Bakersfield): Ellyce Baldwin – Air Quality Supervising Inspector; Jennifer Ledergerber, Supervising Air Quality Inspector

Central Region (Fresno): Jessi Fierro, Assistant District Counsel; Chris Kalashian, Air Quality Specialist; Shannon Moore, Air Quality Specialist; Carol Flores, Operations and Program Support Supervisor

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 July 13, 2016
- 10. Emergency Variance

11. Next Scheduled Meeting

The next scheduled meeting is on October 12, 2016. The meeting will be held in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) included via VTC.

Public Comments: None

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> Moved: Haddock Seconded: Padilla

Ayes: Stovall, Dunn, Haddock, Padilla

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.

A. S-16-31S Short Company Name

A. S-16-31S Short Section 20 Dehydra

Section 20 Dehydration Facility

Belridge Oil Field

Petitioners: John Ludwick and Matt Owen

Mr. Kalashian presented the Staff Report.

Aera has requested a short variance from the applicable requirements of District Rules 2010, 2070, 2201, 2520, 4401, 4311, and 4623, in addition to applicable conditions of the subject permits. The requested short variance period would be effective for a non-consecutive 36-hour period to occur sometime between September 14, 2016, and December 12, 2016, inclusive. If granted, the variance would allow Aera to continue to store VOC containing liquids in the subject tanks without a functional or operating VRS and grant relief from visible emissions requirements on the subject flare.

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. Padilla, unanimously passed, the petitioner was granted a short variance.

B. S-16-32S Short Company Name
Aera Energy LLC
Lockwood, et al.
Midway Sunset Oil Field

Petitioners: Robert Beebout

Mr. Moore presented the Staff Report.

Aera has requested a short variance from District Rules 2010, 2070, 2201, 2520, and 4623, in addition to conditions of the applicable conditions of the subject permits. The requested short variance would be for a consecutive 144-hour period to

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occur sometime between October 1, 2016 and December 29, 2016. 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 upgrades the electrical distribution system serving the North Midway Sunset Oil Field.

The petitioner had no further comments.

Public Comments: None

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

	Docket No.	<u>Type</u>	Company Name
C.	S-16-33S	Short	Aera Energy LLC MOCO & 25 Hill Midway Sunset Oil Field

Petitioners: Robert Beebout

Mr. Kalashian presented the Staff Report.

Aera has requested a short 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 for a consecutive 144-hour period to occur sometime between November 1, 2016, and January 29, 2017, inclusive. If granted, the variance would allow Aera to continue to store VOC containing liquids in the subject tanks without an operating or functional VRS during the outage.

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. Padilla, unanimously passed, the petitioner was granted a short variance.

	Docket No.	<u>Type</u>	Company Name
D.	S-16-34S	Short	Chevron USA Inc. 31X Oil Cleaning Plant Cymric Oil Field

Petitioners: Kris Rickards, Marc Hansen and Saravanan Natesa Ramachandra

Mr. Kalashian presented the Staff Report.

Chevron has requested a short variance from the applicable requirements of District Rules 2010, 2070, 2201, 2520, 4401, and 4623 in addition to applicable conditions of the subject permits. The requested variance period would be effective for anon-consecutive 336-hour period to occur sometime between September 14, 2016, and December 13, 2016, 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 Chevron conducts the proposed work. 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 requested clarification on the details of the project. Mr. Hanson explained the dimensions of the steel pipe that is being installed. He said the variance is for installing tank tie-ins. The time period requested is for a worst case scenario.

Public Comments: None

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

	Docket No.	<u>Type</u>	Company Name
Ε.	S-16-35S	Short	Chevron USA Inc. 17Z Gas Plant
			McKittrick, CA 9322

Petitioners: Kris Rickards and Saravanan Natesa Ramachandra

Mr. Moore presented the Staff Report.

Chevron has requested a short variance from the applicable requirements of District Rules 2070, 2201, 4409, and 4623, in addition to the applicable conditions of the subject permits. The requested variance would be for a non-consecutive 720-hour period to occur sometime between October 1, 2016, and December 29, 2016, inclusive. If granted, the variance would also Chevron to bypass the gas plant while not following all the provisions of District Rule 4409 during the turnaround. It would also allow the continued storage of VOC containing liquids in the two drain tanks without an operating and functional VRS.

Mr. Padilla asked if the District's inspects facilities. Mr. Moore explained the facility will submit reports regarding the project and the District may send an inspector.

Dr. Haddock requested clarification between wet and dry natural gas. Mr. Ramachandra explained hydro carbons are removed natural gas becoming dry. Mr. Moore added there is a higher VOC content in wet natural gas.

Public Comments: None

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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.

5. Public Comments

None

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

None

7. New Business

None

8. Adjournment

The Vice Chair adjourned the meeting at 10:41 a.m.