

**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, May 10, 2017**

*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
Daniel Padilla - Engineer	Present

Staff Present:

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

Central Region (Fresno): Jessi Fierro, Assistant Counsel II; Shannon Moore, Air Quality Specialist; Chris Kalashian, Air Quality Specialist; Crystal Bussard, Air Quality Specialist; Patrick Houlihan, Senior Air Quality Specialist; Michael Carrera, Air Quality Compliance Manager; See Thao, 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 April 12, 2017

10. Emergency Variance

11. Next Scheduled Meeting

The next scheduled meeting is on June 14 2017. The meeting will be held in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) included via VTC.

Public Comments: None

Moved: Stovall  
Seconded: Padilla  
Ayes: Stovall, Bland, 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.

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

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
A. S-17-12S	Short	Pastoria Energy Facility, LLC 39789 Edmonston Pumping Plant Rd. Lebec, CA 93243

Petitioners: Barbara McBride, Gary Fuller, and Michael Rinehart

Mr. Moore presented the Staff Report.

Pastoria has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, 4703 in addition to applicable condition on the subject permits. The requested short variance would allow Pastoria to postpone annual compliance source testing on the three combustion turbine units until they are to operate to produce power. If granted, the variance would allow Pastoria additional time, up to August 7, 2017 to complete the annual source testing.

Petitioner Comments: Ms. McBride would like to thank staff and Board for hearing the variance.

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>
B. S-17-13S	Short	Chevron U.S.A. Inc. 17Z Gas Plant McKittrick Oil Field

Petitioners: Steve Enns, Kris Rickards, and Saravanan Natesa Ramachandra

Ms. Bussard presented the Staff Report.

Chevron has requested a short variance from the applicable requirements of District Rules 2070, 2201, 4409, 4623, in addition to the applicable conditions of the subject permits. The requested variance would be for a non-consecutive 720 hour-hour period occur sometime between May 10, 2017, and August 8, 2017, inclusive. If granted, the variance would allow 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. Stovall asked what the estimated dollar lost would be during this shut down period.

Mr. Enns explained that it will be in the millions, considering that they have to account for the gas and oil production loss.

Mr. Padilla asked for clarification on the definition of a short variance.

Ms. Bussard explained that a short variance would be for a span of 90 days total. In this case the facility has a maximum of 30 days non-consecutive if it were to take them that long to complete all maintenance.

Public Comments: None

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

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
C. S-17-14S	Short	Sycamore Cogeneration Company 1600 China Grade Loop Bakersfield, CA 93308

Petitioners: Cory Eagar

Mr. Moore presented the Staff Report.

Sycamore is requesting a short variance from the applicable requirement of District Rules 2070, 2201, 2520, and 4703 in addition to the applicable conditions of the subject permits. The requested short variance would be for a non-consecutive 24-hour period to occur sometime May 10, 2017, and July 31, 2017, inclusive. If granted, the variance would allow Sycamore to operate the combustion turbines with excess NOx and Co emissions while the required testing is conducted.

Petitioner Comments: None

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-17-15S	Short	Kern River Cogeneration Company 1600 China Grade Loop Bakersfield, CA 93308

Petitioners: Cory Eagar

Mr. Moore presented the Staff Report.

Kern River Cogeneration Company is requesting a short variance from the applicable requirement of District Rule 2070, 2201, 2520, and 4703 in addition to the applicable condition of the subject permits. The requested short variance would be for a non-consecutive 24- hour period to occur sometime between May 10, 2017, and July 31, 2017 inclusive. If granted, the variance would allow King River Cogeneration Company to operate the combustion turbines with excess NOx and CO emissions while the required reliability testing is conducted.

Mr. Stovall clarified that if this reliability testing does not occur then the facility would essentially be out of business.

Mr. Eagar explained that the testing is a requirement due to Federal mandate. If not followed, the facility will be subject to large fines.

Mr. Moore added that according to the staff report without certification there is a potential to closure.

Petitioner Comments: None

Public Comments: None

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

5. Public Comments: None

6. Hearing Board Member Comments:

Mr. Bland announced that he will be out of the country next month. Mr. Stovall will call the meeting to order.

7. New Business: None

8. Adjournment

The Chair adjourned the meeting at 10:28 a.m.