

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, March 14, 2018

*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 10:02 a.m.

2. Roll Call

William Bland – Public	Present
John Stovall – Attorney	Present
Daniel Padilla – Engineer	Present

Staff Present:

Southern Region (Bakersfield): Jennifer Ledergerber, Supervising Air Quality Inspector

Central Region (Fresno): Jessi Fierro, Assistant Counsel; Crystal Bussard, Air Quality Specialist II; Shannon Moore, Air Quality Specialist II; Clay Bishop, Supervising Air Quality Specialist; and Artemiza Velasco, Operations 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 February 14, 2018

10. Emergency Variance

11. Next Scheduled Meeting

The next scheduled meeting is on April 11, 2018. 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, Padilla, Bland
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.

	<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
A.	S-18-09S	Short	Chevron U.S.A. Inc. Eastridge Cogeneration Plant Kern River Oil Field

Petitioners: Daniel Beck and Lance Ericksen

Mr. Moore presented the Staff Report.

Chevron has requested a short variance from the applicable requirements of District Rules 1080, 2070, 2201, 2520, 4001, and 4703, 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 March 15, 2018, and June 12, 2018, inclusive. If granted, the variance would allow continued operation of the subject equipment without an operational CEMS while the work is performed and the CEMS is re-certified.

Mr. Moore referred to page four of the Staff Report, item number two and provided the following update and or changes:

A. Condition 6 should reflect permit number S-1131-0-2.

B. Conditions 15, 33, 35, and 37 should reflect permit number: S-1131-1160-0.

C. Conditions 15, 33, 35, and 37 should reflect permit number: S-1131-1161-0.

Petitioner Comments: None

Public Comments: None

Moved: Stovall
Seconded: Padilla
Ayes: Stovall, Padilla, Bland
Nays: None

Motion unanimously carried to approve Docket No. S-18-09S

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
B. S-18-10S	Short	Chevron U.S.A. Inc. 26C Oil Cleaning Plant Kern River Oil Field

Petitioners: Dale Johnson and Mathew Fesko

Ms. Bussard 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 the applicable conditions of the subject permits. The requested variance period would be for a consecutive 168-hour period to occur sometime between March 19, 2018, and June 16, 2018, inclusive. If granted, the variance would allow CHEVERON to continue to store VOC containing liquids in the subject tanks without an operating or functional VRS while the proposed work is conducted. In addition, it will allow wells with closed casing gas vents to produce into tanks that do not have a functional or operating VRS.

Petitioner Comments: None

Public Comments: None

Moved: Padilla
Seconded: Stovall
Ayes: Stovall, Padilla, Bland
Nays: None

Motion unanimously carried to approve Docket No. S-18-10S

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
C. S-18-11S	Short	Chevron U.S.A. Inc. Monterey Central Plant Kern River Oil Field

Petitioners: Daniel Beck and Lance Ericksen

Ms. Bussard 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 short variance period would be for a non-consecutive 96-hour period to occur sometime between March 15, 2018, and June 12, 2018, inclusive. If granted, the short variance would allow for the continued

storage of VOC containing liquids in the tanks without a functional or operating VRS while CHEVRON performs 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.

Petitioner Comments: None

Public Comments: None

Moved: Stovall
Seconded: Padilla
Ayes: Stovall, Padilla, Bland
Nays: None

Motion unanimously carried to approve Docket No. S-18-11S

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
D. S-18-12S	Short	Chevron U.S.A. Inc. Station 36 Oil Cleaning Plant Kern River Oil Field

Petitioners: Daniel Beck, Lance Ericksen and Jonathan Supeno

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 short variance period would be for a consecutive 14-day period to occur sometime between March 15, 2018, and June 12, 2018, 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 proposed work.

Petitioner Comments: None

Public Comments: None

Moved: Padilla
Seconded: Stovall
Ayes: Stovall, Padilla, Bland
Nays: None

Motion unanimously carried to approve Docket No. S-18-12S

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
E. S-18-13S	Short	Sunrise Power Company, LLC 12857 Sunrise Power Road Fellows, CA 93224

Petitioners: Tom Bertolini, David King and George Piantka

Mr. Moore presented the Staff Report.

SUNRISE has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, and 4703, in addition to the applicable conditions of the subject permits. The requested variance would be for a non-consecutive 20-hour period to occur from March 16, 2018, to April 30, 2018, inclusive. If granted, the variance would allow CTG Unit 1 to be operated with excess NOx and CO emissions while performance testing is conducted.

Petitioner Comments: None

Public Comments: None

The Chair referred to finding number three found on page 3 of the Staff Report and asked for clarification on the blanket statement; "If the plant were not allowed to operate again, consumers would lose a source of power" and mentioned that it is his understanding that the plant is currently shut down. He asked the petitioner what would be the potential monetary effect if the plant were not allowed to operate again. Mr. Piantka responded that unit 1 is shut down and unit 2 is operating and connected to the steam turbine. Unit 2 serves the portion of the grid that can go to the North and the South. A station of that size can approximately serve 200,000 homes or more.

The Chair referred to the Excess Emissions listed on page two of the Staff Report, he understands the estimates listed for NOx and CO are worst-case excess emissions and asked why the numbers are high. Mr. Moore responded the full speed no load is operating beyond what the normal operating parameters would be to maintain the emissions at the permitted limits.

Mr. Stovall and Mr. Padilla asked if it is possible to come up with a more accurate estimate of excess emissions. Mr. Bertolini responded that if the performance testing goes perfect the first time, the emissions would be substantially less than the maximum estimated. Mr. Padilla said that the emissions are based on a 20-hour period, it is just a modest calculation, if the testing was completed in a 10 hour period, would the emissions be half of the original estimate? Mr. Bertolini responded that there are variations on the emission levels throughout the four-hour test period, those numbers represent the high end of that variability. Mr. Padilla asked if there is a way to calculate the actual emissions once job is complete. Mr. Bertolini responded that there is a way to calculate the emissions. They will have a continuous emission monitoring system that will be operating throughout the testing.

Moved: Stovall
Seconded: Padilla
Ayes: Stovall, Padilla, Bland
Nays: None

Motion unanimously carried to approve Docket No. S-18-13S

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
F. S-18-14S	Short	California Resources Production Corp Yowlumne Tank Facility Yowlumne Oil Field

Petitioners: Doug Shaffer and Ira Greer

Mr. Moore presented the Staff Report.

SUNRISE has requested a short variance from the applicable requirements of District Rules 2070, 2201, 2520, and 4703, in addition to the applicable conditions of the subject permits. The requested variance would be for a non-consecutive 20-hour period to occur from March 16, 2018, to April 30, 2018, inclusive. If granted, the variance would allow CTG Unit 1 to be operated with excess NOx and CO emissions while performance testing is conducted.

Petitioner Comments: None

Public Comments: None

Moved: Padilla
Seconded: Stovall
Ayes: Stovall, Padilla, Bland
Nays: None

Motion unanimously carried to approve Docket No. S-18-14S

5. Public Comments: None
6. Hearing Board Member Comments: Mr. Padilla referred to Docket Number: S-18-13S and requested a follow-up email from District Staff to include the result of the final emission numbers. Mr. Moore responded that the information would be provided.
7. New Business:
The Chair reminded the Hearing Board members to complete and submit their Ethics Training certification and their Annual Statement of Economic Interests (Form 700).

8. Adjournment
The Chair adjourned the meeting at 10:48 a.m.