

San Joaquin Valley Air Pollution Control District

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Action Summary Minutes
Southern Region Hearing Board Meeting
San Joaquin Valley Unified Air Pollution Control District
2700 M Street, Suite 275,
Video Teleconference (VTC) Room
Bakersfield, CA.

Wednesday, October 13, 2004 10:00 a.m.

Meeting held via video teleconferencing (VTC) with the Central Region Office (Fresno) participating via VTC.

- 1. <u>Call Meeting to Order</u> The Chair, Hollis B. Carlile, called the meeting to order at 10:10 a.m.
- 2. Roll Call was taken and a quorum was present.

Kimm Wolber (absent)

Andrew C. Thomson

Nancy Ann Dunn

William L. Bland, Jr., Vice Chair (*)

Hollis B. Carlile, Chair

Medical

Attorney

Public

Public

Engineer

(*) Arrived during Agenda Item # 4, Hearing B.)

Also present in the Southern Region Office (Bakersfield)

Allan Phillips, Supervising Air Quality Engineer, Jo DeMers, Air Quality Inspector, Jon Adams, Air Quality Compliance Manager, Mike Oldershaw, Senior Air Quality Inspector and Creighton Smith, Supervising Air Quality Inspector.

Also present in the Central Region Office (Fresno) – Robert J. Kard, Director of Compliance, Catherine Tognazzini, Assistant Counsel, Morgan Lambert, Senior Air Quality Inspector, Michael Carrera, Supervising Air Quality Inspector and Sissy Smith, Clerk to the Board.

Approve Minutes of August 11, 2004 – The Chair asked if there were any correction to the Minutes of August 11, 2004. Hearing no comments the Chair declared that the Minutes of August 11, 2004 were approved as submitted.

4. **Public Hearing:**

All persons testifying were sworn in by the Chair.

The Chair asked if the Petitions had been properly noticed and on file with the Clerk to the Board. Ms. Smith responded affirmative.

The Chair requested the Hearing Board Packet and any addenda brought forth in today's hearings be entered into the Official Record.

The Chair announced that the following docket was <u>Withdrawn</u>
A.) Docket S-04-35R, Regular Variance, Chevron, USA, Inc., Station 1-09
Dehydration Facility, Sec 9, T32S, R23E, Fellows, CA.

Michael Carrera introduced Morgan Lambert to the Board and announced that Mr. Lambert will be handling Hearing Board issues from this point on.

Mr. Carrera presented the Staff Report

B.)

Docket S-04-37S, Short Variance, Aera Energy LLC, Lost Hills 2 Water Plant, 59231 Main Camp Road, McKittrick, CA. Type of Business: Crude Oil and Gas Production Facility.

<u>Petitioners</u> – John Haley, Tom Scott, Rita Daniels, Todd Bivens and Carrie O'Rourke represented Aera Energy LLC.

Public Comment – No Public Comment.

<u>Decision</u> – Board Member Thomson made the motion to grant the variance. Board Member Thomson noted that the six findings have been reviewed, considered and made, and that the variance be subject to the ten recommended conditions set forth on pages 3 and 4 of the Staff Report. Seconded by Board Member Dunn and carried with the following *Roll Call Vote:*

Ayes: Thomson, Dunn and Carlile.

Abstained: Bland. Absent: Wolber.

The Board granted a Short Variance to Docket S-04-37S, Aera Energy LLC, Lost Hills 2 Water Plant. The Variance shall be effective for a single 24-hour period or less if compliance is achieved sooner, to occur sometime between October 18, 2004 and December 17, 2004. The ten recommended conditions will be set forth in the Hearing Board Order.

Mr. Carrera presented the Staff Report. Mr. Carrera announced the following two Permit to Operate Numbers were inadvertently omitted from the Staff Report PTO #'s S-1548-420-5 and S-1547-862-2.

C.) Docket S-04-38S, Short Variance, Aera Energy LLC, Substation 19, Sec 4, T27S, R21E, Lost Hills, CA. Type of Business: Crude Oil and Gas Production Facility.

<u>Petitioners</u> - John Haley, Tom Scott, Rita Daniels, Todd Bivens, Carrie O'Rourke and Fernando Parras represented Aera Energy LLC.

Public Comment – No Public Comment.

<u>Decision</u> – Board Member Bland made the motion to grant the variance. Board Member Bland indicated the variance request meets the required six findings. The variance shall be subject to the twelve recommended conditions set forth on pages 4 and 5 of the Staff Report. Seconded by Board Member Dunn and carried unanimously with the following *Roll Call Vote:*

Ayes: Thomson, Dunn, Bland and Carlile.

Absent: Wolber.

The Board granted a Short Variance to Docket S-04-38S, Area Energy LLC, Substation 19. The variance shall be effective for a single four-hour period to begin and end sometime between October 18, 2004 and December 17, 2004, or until compliance is achieved, whichever occurs first. The twelve recommended conditions will be set forth in the Hearing Board Order.

Mr. Carrera presented the Staff Report

D.)

Docket S-04-44S, Short Variance, Guinn Construction Company, 6533 Rosedale Avenue, Bakersfield, CA. 93308. Type of Business: Earthmoving Construction Contractor.

<u>Petitioner</u> – Tim Guinn and Randall Abbott represented Guinn Construction Company.

Public Comment – No Public Comment.

<u>Decision</u> – Board Member Thomson made the motion to grant the variance. Board Member Thomson noted that the six findings have been reviewed, considered and made. Board Member Thomson stated the variance is subject to the fifteen recommended conditions on pages 3 and 4 as amended wherein Action Summary Minutes Southern Region Hearing Board Meeting October 13, 2004

Condition #6 and Condition #12 have been deleted, therefore the variance is subject to thirteen recommended conditions. Seconded by Board Member Bland and carried unanimously with the following *Roll Call Vote:*

Ayes: Thomson, Dunn, Bland and Carlile.

Absent: Wolber.

The Board granted a Short Variance to Docket S-04-44S, Guinn Construction Company. The variance shall only be effective from September 28, 2004 to December 24, 2004, or until GCC demonstrates a capacity to operate the subject equipment in continuous compliance with the 20% opacity limit, whichever occurs first. The thirteen recommended conditions will be set forth in the Hearing Board Order.

Mr. Carrera presented the Staff Report

The Chair, Hollis B. Carlile, due to a conflict of interest relinquished the chairmanship to William L. Bland, Jr., Vice Chair for the following docket.

E.)

Docket S-04-46S, Short Variance, Chevron USA, Inc., Discovery Substation, Kern River Oil Field. Type of Business: Crude Oil Production Facility.

Petitioner – Larry Landis and Jim Bloomguist represented Chevron USA, Inc.

Public Comment – No Public Comment.

<u>Decision</u> – Board Member Thomson made the motion to grant the variance. Board Member Thomson stated that the six findings have been reviewed, considered and made, and that the variance be subject to sixteen recommended conditions set forth on pages 4, 5 and 6 of the Staff Report. Seconded by Board Member Dunn and carried unanimously with the following *Roll Call Vote:*

Ayes: Thomson, Dunn and Bland.

Absent: Wolber.

Excused: Carlile (conflict of interest)

The Board granted a Short Variance to Docket S-04-46S, Chevron USA, Inc. The variance shall be effective from October 13, 2004 through January 11, 2005, or until Phase 1 testing is complete, whichever occurs first. The sixteen recommended conditions will be set forth in the Hearing Board Order.

Break at 11:15 a.m.

Returned from Break at 11:20 a.m.

The Vice Chair, William L. Bland, Jr., relinquished the chairmanship back to the Chair, Hollis B. Carlile.

Morgan Lambert presented the Staff Reports

The Chair asked if the Petitioner or the District had any opposition to Items F.) and G.) being held simultaneously with separate votes on each item. The Petition nor District staff voiced any opposition to the Chair's request.

F.)

Docket S-04-48R, Regular Variance, Pastoria Energy Facility, LLC – PBII, 39789 Edmonston Pumping Plant Road, Lebec, CA. 93243. Type of Business: Electrical Power Generating Facility.

G.)

Docket S-04-49R, Regular Variance, Pastoria Energy Facility, LLC – PBI, 39789 Edmonston Pumping Plant Road, Lebec, CA. 93243. Type of Business: Electrical Power Generating Facility.

<u>Petitioner</u> – Jeff Adkins and Gary Fuller represented Pastoria Energy Facility, LLC, PBII and PBI.

Public Comment – No Public Comment.

DOCKET S-04-48R

<u>Decision</u> – Board Member Bland made the motion to grant the variance. Board Member Bland stated the required six findings could be made. The variance is subject to the eighteen recommended conditions. Seconded by Board Member Thomson and carried unanimously with the following *Roll Call Vote*:

Ayes: Thomson, Dunn, Bland and Carlile.

Absent: Wolber.

The Board granted a Regular Variance to Docket S-04-48R, Pastoria Energy Facility, LLC – PBII. The variance shall be effective for a cumulative 120-days between December 1, 2004 and October 31, 2005, or until commissioning activities are complete, whichever occurs first. The eighteen recommended conditions will be set forth in the Hearing Board Order.

DOCKET S-04-49R

<u>Decision</u> – Board Member Bland made the motion to grant the variance. Board Member Bland stated the required six findings could be made. The variance is subject to the eighteen recommended conditions. Seconded by Board Member Thomson and carried unanimously with the following *Roll Call Vote:*

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Ayes: Thomson, Dunn, Bland and Carlile.

Absent: Wolber.

The Board granted a Regular Variance to Docket S-04-49R, Pastoria Energy Facility, LLC – PBI. The variance shall be effective for a cumulative 90-days between December 1, 2004 and October 31, 2005, or until commissioning activities are complete, whichever occurs first. The eighteen recommended conditions will be set forth in the Hearing Board Order.

Morgan Lambert presented the Staff Report

Board Member Thomson left the dais for the remainder of the meeting.

H.)

Docket S-04-50S, Short Variance, Kern River Cogeneration Company, P O Box 80478, Bakersfield, CA. 93380. Type of Business: Natural Gas-Fired Cogeneration.

<u>Petitioners</u> – Daniel Beck and Daryl Crompton represented Kern River Cogeneration Company.

<u>Public Comment</u> – No Public Comments.

<u>Decision</u> – Board Member Bland made the motion to grant the variance. Board Member Bland noted that the required six findings could be made. Board Member Bland stated the variance will be subject to the nine recommended conditions set forth in the Staff Report on pages 4 and 5 with a language change to Condition # 1. Seconded by Board Member Dunn and carried unanimously with the following *Roll Call Vote:*

Ayes: Dunn, Bland and Carlile.
Absent: Wolber and Thomson.

The Board granted a Short Variance to Docket S-04-50S, Kern River Cogeneration Company. The variance shall be effective for one consecutive 48-hour period to occur sometime between October 13, 2004 and December 31, 2004, or until maintenance to the Magunden Substation is complete and electrical power restored, whichever is sooner. The nine recommended conditions will be set forth in the Hearing Board Order.

5. <u>Emergency Variances</u> – The Southern Region Hearing Board approved the following emergency variance orders:

A.) Docket S-04-39E La Paloma Generating Plant Unit 1
Docket S-04-40E La Paloma Generating Plant Unit 2

	Docket S-04-41E Docket S-04-42E	La Paloma Generating Plant Unit 3 La Paloma Generating Plant Unit 4
B.)	Docket S-04-43E	Aera Energy LLC
C.)	Docket S-04-44E	Guinn Construction Company
D.)	Docket S-04-45E	San Joaquin Refining Company
E.)	Docket S-04-47E	AES Delano Energy
F.)	Docket S-04-51E	Castle Peak Resources
G.)	Docket S-04-52E	Kern Oil & Refining
H.)	Docket S-04-53E	Kern River Cogeneration
l.)	Docket S-04-54E	Aera Energy LLC
J.)	Docket S-04-55E	Aera Energy LLC
K.)	Docket S-04-56E	Chevron, USA, Inc.

- 6. **Public Comments** No Public Comments.
- 7. **Hearing Board Member Comments** No Hearing Board Member Comments.
- 8. New Business No New Business.
- 9. Next Scheduled Meeting Wednesday, November 10, 2004 at 10:00 a.m. The meeting will be held via video teleconference (VTC) in the Southern Region Office, 2700 M Street, Suite 275, Bakersfield with the Central Region Office, Fresno, participating via VTC.
- 10. Adjournment The Chair adjourned the meeting at 11:46 a.m.

Sissy Smith, Clerk to the Board Southern Region Hearing Board San Joaquin Valley Unified APCD