



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, VTC Room Bakersfield, CA.

**Wednesday, May 10, 2006
10:00 a.m.**

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

1. **Call Meeting to Order** – The Vice Chair, William Bland, called the meeting to order at 10:01 a.m.

2. **Roll Call was taken and a quorum was present.**

Kimm Wolber (absent)	Medical
Nancy Dunn	Public
Charles Brehmer	Attorney
William Bland, Vice Chair	Public
Hollis Carlile, Chair (absent)	Engineer

Also present in the Southern Region Office (Bakersfield)
Creighton Smith, Dave Baldwin and Ellyce Baldwin, Supervising Air Quality Inspectors, Alan Phillips, Supervising Air Quality Engineer, Jo DeMers and Sam Parks, Air Quality Inspectors.

Also present in the Central Region Office (Fresno) – Catherine Tognazzini, Assistant District Counsel, Michael Carrera and Morgan Lambert, Supervising Air Quality Inspectors, Brian Dodds, Senior Air Quality Inspector and Sissy Smith, Clerk to the Board.

3. **Approve Minutes of April 7, 2006 and April 12, 2006** – The Vice Chair asked if there were any comments regarding the Minutes. Hearing no comments the Vice Chair declared the Minutes of April 7, 2006 and April 12, 2006 were approved as submitted.

4. **Public Hearing**

All persons testifying were sworn in by the Vice Chair.

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

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

Brian Dodds presented the Staff Reports.

A.)
Docket S-06-25S, Short Variance, **Midway Sunset Cogeneration Company**, 3466 W. Crocker Springs Road, Fellows, CA. 93224. Type of Business: Cogeneration Facility.

Petitioners – Steve Nixon and Ray Smith represented Midway Sunset Cogeneration Company.

Public Comment – No Public Comment.

Decision – Board Member Dunn made the motion to grant the variance with the required six findings set forth on pages 2 and 3 of the Staff Report. Ms. Dunn stated 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 Brehmer and unanimously carried with the following roll call vote:

Ayes: **Dunn, Brehmer and Bland.**

Absent: **Wolber and Carlile.**

The Southern Region Hearing Board granted a Short Variance to Docket S-06-25S, Midway Sunset Cogeneration Company. The variance shall be effective for a single, 48-hour period to occur sometime between May 15, 2006 and May 31, 2006, or until the maintenance on the steam lines is complete, whichever occurs first. The twelve recommended conditions will be set forth in the Southern Region Hearing Board Order.

B.)
Docket S-06-26S, Short Variance, **Aera Energy LLC – Weir Lease, corrected to the Lockwood Lease**, 25401 Highway 33, Fellows, CA. 93224. Type of Business: Crude Oil & Gas Production.

Petitioners – Steve Nixon and Jeff Vontz represented Aera Energy LLC – Lockwood Lease.

Public Comment – No Public Comment.

Decision – Board Member Brehmer made the motion to grant the variance, subject to the required six findings set forth on pages 2 and 3 of the Staff Report, and the eleven recommended conditions set forth on pages 3 and 4 of the Staff Report. Seconded by Board Member Dunn and unanimously carried with the following roll call vote:

Ayes: **Dunn, Brehmer and Bland.**

Absent: **Wolber and Carlile.**

The Southern Region Hearing Board granted a Short Variance to Docket S-06-26S, Aera Energy LLC-Lockwood Lease. The variance shall be effective for a single, consecutive, 36-hour period to occur sometime between May 15, 2006 and May 19, 2006, or until the subject VRS connections can be replaced, whichever occurs first. The eleven recommended conditions will be set forth in the Southern Region Hearing Board Order.

C.)

Docket S-06-29S, Short Variance, **Aera Energy LLC – AFS Lease**, 25401 Highway 33, Fellows, CA. 93224. Type of Business: Crude Oil & Gas Production.

Petitioners – Steve Nixon and Jeff Vontz represented Aera Energy LLC – AFS Lease.

Public Comment – No Public Comment.

Decision – Board Member Dunn made the motion to grant the variance subject to the required six findings set forth on pages 2 and 3 of the Staff Report. Ms. Dunn stated the variance shall be subject to the eleven recommended conditions set forth on pages 3 and 4 of the Staff Report. Seconded by Board Member Brehmer and unanimously carried with the following roll call vote:

Ayes: **Dunn, Brehmer and Bland.**

Absent: **Wolber and Carlile.**

The Southern Region Hearing Board granted a Short Variance to Docket S-06-29S, Aera Energy LLC – AFS Lease. The variance shall be effective from May 11, 2006 to May 31, 2006, or until the power distribution system has been restored and stabilized, whichever occurs first. The eleven recommended conditions will be set forth in the Southern Region Hearing Board Order.

D.)

Docket S-06-16R, Regular Variance, **Chevron USA, Inc., Station 1-09 Dehydration Facility**, Midway Sunset Oilfield, (Sec. 09, T32S, R23E, Bakersfield, CA. Type of Business: Heavy Crude Oil and Gas Production Facility.

Petitioners – Martin Lundy, David Moore and Erica Toussaint represented Chevron USA, Inc., Station 1-09 Dehydration Facility.

Public Comment – No Public Comment.

Decision – Board Member Brehmer made the motion to grant the variance, subject to the eleven recommended conditions set forth on pages 4 and 5 of the Staff Report with the underlined revisions to:

Condition #5, shall read: Total excess VOC emissions shall not exceed 40.1 lbs during the interim variance or series of variances.

Condition #9, change the date from July 20, 2006 to October 18, 2006

Mr. Brehmer stated the variance includes the required six findings set forth on pages 2 and 3 of the Staff Report. Seconded by Board Member Dunn and unanimously carried with the following roll call vote:

Ayes: *Dunn, Brehmer and Bland.*

Absent: *Wolber and Carlile.*

The Southern Region Hearing Board granted a Regular Variance to Docket S-06-16R, Chevron USA, Inc., Station 1-09 Dehydration Facility. The variance shall be effective for a cumulative 30-hour period to occur sometime between April 7, 2006 and October 3, 2006, or until such time that both tank vapor recovery units (A&B) are fully operational, all adjustments and repairs have been made to the tank vapor recover units, the three wash tanks are operational and connected to the VRS, and CUSA has had sufficient time to evaluate the reliability of the VRS, whichever occurs first. The eleven recommended conditions with changes to #5, and #9 will be set forth in the Southern Region Hearing Board Order.

The Hearing Board Members and the Petitioners agreed to hear the following dockets simultaneously with separate votes on each docket:

E.)

Docket S-06-27S, Short Variance, **Chevron USA, Inc., Station 1-09 Dehydration Facility**, Midway Sunset Oilfield (Sec. 09, T32S, R23E), Bakersfield, CA.

and

F.)

Docket S-06-28S, Short Variance, **Chevron USA, Inc., Station 1-09 Dehydration Facility**, Midway Sunset Oilfield(Sec. 09, T32S, R23E), Bakersfield, CA.

Petitioners – Martin Lundy, David Moore and Nick Filippelli represented Chevron USA, Inc., Station 1-09 Dehydration Facility.

E.) Docket S-06-27S, Short Variance, Chevron USA, Inc., Station 1-09 Dehydration Facility - Mr. Dodds announced the following flare emission numbers revised by Chevron USA, Inc., Docket S-06-27S:

<u>NOx (lb/day)</u>	<u>SOx (lb/day)</u>	<u>PM10 (lb/day)</u>	<u>CO (lb/day)</u>	<u>VOC (lb/day)</u>
47.4	7,528.2	18.1	258.1	43.9

Mr. Dodds indicated the following revisions to Recommended Conditions:

4. Excess NOx emissions 47.4 or 189.6 lbs. during this variance
5. Excess SOx emissions 7,528.2 or 30,112.8 lbs. during this variance
6. Excess PM10 emissions 18.1, or 72.4 lbs. during this variance
7. Excess CO emissions 258.1, or 1,032.4 lbs. during this variance
8. Excess VOC emissions 43.9, or 175.6 lbs. during this variance

Public Comment – No Public Comment.

Decision – Board Member Brehmer made the motion to grant the variance, subject to the required six findings set forth on pages 2 and 3 of the Staff Report, and the twelve recommended conditions set forth on pages 4 and 5 of the Staff Report with revisions to Conditions 4, 5, 6, 7 and 8. Seconded by Board Member Dunn and unanimously carried with the following roll call vote:

Ayes: *Dunn, Brehmer and Bland.*

Absent: *Wolber and Carlile.*

The Southern Region Hearing Board granted a Short Variance to Docket S-06-27S, Chevron USA, Inc., Station 1-09, Dehydration Facility. The variance shall be effective for a single consecutive 4-day period to occur sometime between May 10, 2006 and August 7, 2006, or until CUSA completes the clean out of the existing natural gas pipeline, or installation of a new line, whichever occurs first. The twelve recommended conditions with revisions to 4, 5, 6, 7 and 8 will be set forth in the Southern Region Hearing Board Order.

F.) Docket S-06-28S, Short Variance, Chevron USA, Inc., Station 1-09 Dehydration Facility - Mr. Dodds announced the following flare emission numbers revised by Chevron USA, Inc., Docket S-06-28S:

<u>NOx (lb/day)</u>	<u>SOx (lb/day)</u>	<u>PM10 (lb/day)</u>	<u>CO (lb/day)</u>	<u>VOC (lb/day)</u>
36.6	5,801.3	14.0	198.9	33.9

Mr. Dodds indicated the following revisions to Recommended Conditions:

4. Excess NOx emissions 36.6 or 1024.8 lbs. during this variance
5. Excess SOx emissions 5,801.3 or 162,436.4 lbs. during this variance
6. Excess PM10 emissions 14.0, or 392.0 lbs. during this variance

7. Excess CO emissions 198.9, or 5,569.2 lbs. during this variance
8. Excess VOC emissions 33.9, or 949.2 lbs. during this variance

Public Comment – No Public Comment.

Decision – Board Member Brehmer made the motion to grant the variance, subject to the required six findings set forth on pages 2 and 3 of the Staff Report, and the twelve recommended conditions set forth on pages 4 and 5 of the Staff Report with revisions to Conditions 4, 5, 6, 7, and 8. Seconded by Board Member Dunn and unanimously carried with the following roll call vote:

Ayes: *Dunn, Brehmer and Bland.*

Absent: *Wolber and Carlile.*

The Southern Region Hearing Board granted a Short Variance to Docket S-06-28S, Chevron USA, Inc., Station 1-09, Dehydration Facility. The variance shall be effective for a single consecutive 28-day period to occur sometime between May 10, 2006 and August 7, 2006, or until such time that the retrofit of the subject steam generator can be completed, whichever occurs first. The twelve recommended conditions with revisions to 4, 5, 6, 7 and 8 will be set forth in the Southern Region Hearing Board Order.

G.) Postponed

Docket S-06-30S, Short Variance, **Exxon Mobil**, 18271 Highway 33, McKittrick, Ca. 93251.

5. **The Southern Region Hearing Board approved the following emergency variance orders:**

- | | | |
|-----|-----------------|------------------------------------|
| A.) | Docket S-06-20E | Midway Sunset Cogeneration Company |
| B.) | Docket S-06-22E | Aera Energy LLC |
| C.) | Docket S-06-23E | Chevron USA Inc. |
| D.) | Docket S-06-24E | Chevron USA Inc. |
| E.) | Docket S-06-31E | Big West of California LLC |

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, June 14, 2006 at 10:00 a.m. The meeting will be held via video teleconferencing (VTC) in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) participating via VTC.

10. **Adjournment** – The Vice Chair adjourned the meeting at 10:55 a.m.