



San Joaquin Valley Air Pollution Control District

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Action Summary Minutes SOUTHERN REGION HEARING BOARD MEETING

Southern Region Office Video Teleconference (VTC) Room

2700 "M" Street, Bakersfield, CA 93301

Wednesday, April 11, 2007, 10:00 A.M.

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

AGENDA

1. CALL MEETING TO ORDER:
The Chair, Hollis Carlile, called the meeting to order at 10:05 a.m.

2. ROLL CALL:

Kimm Wolber—medical	present
Nancy Dunn—public	present
Charles Brehmer—attorney	present
Hollis Carlile (chair)—engineer	present
William Bland—public	absent

Staff present—Southern Region (Bakersfield): Emily Gonzalez-Demont, Administrative Analyst II.

Central Region (Fresno): Catherine Redmond, Assistant District Counsel; Brian Dodds, Senior Air Quality Inspector; Lupe Reyes, Office Assistant II; and Toni Taber, Clerk to the Boards.

3. APPROVE MINUTES OF FEBRUARY 14, 2007 & MARCH 14, 2007:
The Chair asked if there were any comments regarding the Minutes of February 14, 2007. Hearing none, the Chair declared the Minutes for February 14, 2007 approved.

The Chair asked if there were any comments regarding the Minutes of March 14, 2007. Hearing none, the Chair declared the Minutes for March 14, 2007 approved.

4. PUBLIC HEARING:

The Chair asked the Clerk to verify that all items had been properly noticed. The Clerk responded that they had. All those present to testify were sworn in by the Chair, and he requested that they sign in. He also noted there was a revision submitted for Docket Number S-07-5R, and asked that it be entered into the record.

A. Regular Variance Docket No. S-07-05R: *La Paloma Generating Company 1760 West Skyline Road McKittrick, CA 93251*

Petitioners: Zenis Walley, La Paloma Generating Company; Bill Steiner, URS Corp.

Brian Dodds presented the revised report. Mr. Walley stated he felt the district's report was clear and thanked Mr. Dodds for all of his hard work.

Public Comment: None

Moved: Wolber
Second: Brehmer

Ayes: Wolber, Dunn, Brehmer, Carlile
Noes: None
Abstain: None

Motion carried to grant variance as revised and recommended by staff.

B. Interim Variance Docket Number S-07-24i: *MMC Mid Sun LLC 3344 West Crocker Springs Road, Fellows, CA 93224*

Petitioners: Harry Scarborough, MMC Mid Sun LLC

Brian Dodds presented the report. Mr. Scarborough waived his right to presentation. He stated MMC will receive the catalyst in 7-8 weeks, and it will take 2-3 days to install. The Chair asked if that will affect the variance. Mr. Scarborough stated MMC will exceed the parts per million. Mr. Dodds stated the time frame is appropriate, and they will have enough time within the short variance for which they have already submitted a petition. Charles Brehmer asked if the company will be back in May for the short variance. Mr. Dodds confirmed. Nancy Dunn asked what is wrong. Mr. Scarborough stated that samples taken from the catalyst show that the material has become poisoned and is no longer acting to reduce the pollutants. He feels confident that replacing the catalyst will bring the unit back into compliance.

Mr. Carlile stated there was a finding of good cause, and Mr. Brehmer agreed that good cause can be met.

Public Comment: None

Moved: Brehmer
Seconded: Wolber

Ayes: Wolber, Dunn, Brehmer, Carlile
Noes: None
Abstain: None

Motion carried to grant variance to MMC Mid Sun LLC as recommended by staff.

The Chair recused himself from the remaining Public Hearings due to Conflict of Interest. Charles Brehmer took over to Chair the remaining Public Hearings. Brian Dodds stated the petitioners for Public Hearings C-G are all the same, so he requested the last item, Docket Number S-07-22S be heard first to allow those petitioners to leave early.

**H: Short Variance Docket Number S-07-22S: Chevron USA Inc.
Kern River Oilfield, Bakersfield, CA 93308**

Petitioners: Kenechukwu Okoli, Chevron; Larry Landis, Chevron.

Brian Dodds presented the report. He stated that condition #9 under Recommendations should read "June 15, 2007" as opposed to "July 15, 2007." Mr. Landis stated they are trying to improve vapor recovery.

Public Comment: None

Moved: Dunn
Seconded: Wolber

Ayes: Wolber, Dunn, Brehmer
Noes: None
Abstain: Carlile

Motion carried to grant variance with noted amendments to Chevron USA Inc. as recommended by staff.

**C: Short Variance Docket Number S-07-04S: Chevron USA Inc.
Station 31 – Midway Sunset Oilfield, Western Heavy Oil Stationary
Source, Fellows, CA 93224**

Petitioners: Martin Lundy, Chevron; David Moore, Chevron

Brian Dodds presented the report. He stated that condition #1 under Recommendations should read "15 day period" as opposed to "16 day period." Mr. Lundy agreed with the staff report. He wanted to make sure the report reflected the correct dates and it was confirmed that the staff report contained the correct dates.

Public Comment: None

Moved: Dunn
Seconded: Wolber

Ayes: Wolber, Dunn, Brehmer
Noes: None
Abstain: Carlile

Motion carried to grant variance with noted amendments to Chevron USA Inc. as recommended by staff.

D. Regular Variance Docket Number S-07-16R: Chevron USA Inc.
Stations 2-22, 1-09, 36, and 31, Western Heavy Oil Stationary Source
Fellows, CA, 93224

Petitioners: Martin Lundy, Chevron; David Moore, Chevron

Brian Dodds presented the report. He stated condition #1 under Recommendations should read "April 11, 2007- April 10, 2008" as opposed to "April 11, 2007-March 12, 2008," and condition #14 under Recommendations should read "April 25, 2008" as opposed to "March 27, 2008." Mr. Lundy stated that they approached the Board in January to get the 2007-08 Variance and during that time they found out they needed to add more equipment based on reliability findings. This led to needing a variance based on the long lead times to get the equipment needed. Mr. Moore stated that one of the transformers has a six month lead time. Mr. Brehmer asked if they expected to find more faulty equipment. Mr. Lundy stated that he did not expect that.

Public Comment: None

Moved: Wolber
Seconded: Dunn

Ayes: Wolber, Dunn, Brehmer
Noes: None
Abstain: Carlile

Motion carried to grant variance with noted amendments to Chevron USA Inc. as recommended by staff.

E. Short Variance Docket Number S-07-19S: Chevron USA Inc.
26C Oil Cleaning Plant, Midway Sunset Oilfield, Fellows, CA 93224

Petitioners: Martin Lundy, Chevron; David Moore, Chevron

Brian Dodds presented the report. Mr. Lundy stated they waived their right to present in this case.

Public Comment: None

Moved: Dunn
Seconded: Wolber

Ayes: Wolber, Dunn, Brehmer
Noes: None
Abstain: Carlile

Motion carried to grant variance to Chevron USA Inc. as recommended by staff.

F. Short Variance Docket Number S-07-20S: Chevron USA Inc. Station 1-09 Midway Sunset Oilfield, Fellows, CA 93224

Petitioners: Martin Lundy, Chevron; David Moore, Chevron

Brian Dodds presented the report. He stated condition #1 under Recommendations would change to "Cumulative 14-day period" as opposed to "single consecutive 14-day period." Mr. Lundy stated the staff report accurately reflected their situation.

Public Comment: None

Moved: Wolber
Seconded: Dunn

Ayes: Wolber, Dunn, Brehmer
Noes: None
Abstain: Carlile

Motion carried to grant variance with noted amendments to Chevron USA Inc. as recommended by staff.

G. Short Variance Docket Number S-07-21S: Chevron USA Inc. 31E Oil Cleaning Plant, Midway Sunset Oilfield, Fellows, CA 93224

Petitioners: Martin Lundy, Chevron; David Moore, Chevron

Brian Dodds presented the report. He stated condition #1 under Recommendations should read in entirety: "The variance shall be effective for a single cumulative 7-day period to occur sometime between May 1, 2007 to July 29, 2007, or until CUSA has completed the connection of the subject tank to the VRS, including monitoring and shakedown activities, whichever occurs first." He stated condition #3 under Recommendations should read in entirety: "The variance shall allow the continued operation of the subject tanks without an operational VRS while the newly constructed tank is connected to the VRS and the monitoring and shakedown activities have been completed. Mr. Dodds also stated condition #9 under Recommendations should read "August 13, 2007" as opposed to "July 16, 2007." Mr. Lundy stated that Mr. Dodds presented their situation well. Mr. Brehmer clarified that the monitoring

and shakedown offers them an extra window of opportunity. Mr. Lundy confirmed it gives them time to do extra safety checks.

Public Comment: None

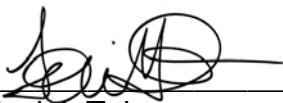
Moved: Dunn
Seconded: Wolber

Ayes: Wolber, Dunn, Brehmer
Noes: None
Abstain: Carlile

Motion carried to grant variance with noted amendments to Chevron USA Inc. as recommended by staff.

Hollis Carlile returned to the meeting, and Charles Brehmer handed the Chair duties back to Mr. Carlile.

5. The Southern Region Hearing Board approved the following emergency variance orders:
 - A. Docket S-07-25E – Berry Petroleum
6. PUBLIC COMMENTS: No public comments.
7. HEARING BOARD MEMBER COMMENTS: No comments.
8. NEW BUSINESS: No new business.
9. NEXT SCHEDULED MEETING: Wednesday, May 9, 2007 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 Chair adjourned the meeting at 11:10 a.m.



Toni J. Taber
Clerk to the Boards
San Joaquin Valley Unified Air Pollution Control Districts