



San Joaquin Valley Air Pollution Control District

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

Wednesday, October 10, 2001
10:00 a.m.

GOVERNING BOARD

Judith G. Case, Chair
Supervisor, Fresno County

Sam Armentrout, Vice Chair
Mayor, City of Madera

Barbara Patrick
Supervisor, Kern County

Mike Maggard
Councilmember, City of Bakersfield

Tony Barba
Supervisor, Kings County

Ronn Dominici
Supervisor, Madera County

Jerry O'Banion
Supervisor, Merced County

Jack A. Sieglock
Supervisor, San Joaquin County

Nick W. Blom
Supervisor, Stanislaus County

Tom Applegate
Councilmember, City of Newman

William Sanders
Supervisor, Tulare County

David L. Crow
Executive Director/
Air Pollution Control Officer

Northern Region Office
4230 Kiernan Avenue, Suite 130
Modesto, CA 95356-9322
(209) 557-6400
FAX (209) 557-6475

Central Region Office
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-6000
FAX (559) 230-6061

Southern Region Office
2700 M Street, Suite 275
Bakersfield, CA 93301-2370
(661) 326-6900
FAX (661) 326-6985

www.valleyair.org

Meeting held via video teleconferencing (VTC) with the Central Region Office (Fresno) and the Northern Region Office (Modesto) included via VTC.

1. **Call Meeting to Order** – The Chairman, Hollis B. Carlile, called the meeting to order at 10:00 a.m.
2. **Roll Call was taken and a quorum was present.**

Kimm Wolber	Medical
Andrew C. Thomson (absent)	Attorney
Marvin Dean	Public
William L. Bland, Jr., Vice Chairman (absent)	Public
Hollis B. Carlile, Chairman	Engineer

Also present in the Southern Region Office (Bakersfield)

Clifton Calderwood, Air Quality Compliance Manager, Creighton Smith, Supervising Air Quality Inspector, Leonard Scandura, Senior Air Quality Engineer, Dave Baldwin, Senior Air Quality Inspector, Denise Holmes and Patrick Houlihan, Air Quality Inspectors.

Also present in the Central Region Office (Fresno) – Philip M. Jay, District Counsel, Robert J. Kard, Director of Compliance, Michael Carrera, Senior Air Quality Inspector and Sissy Smith, Clerk to the Board.

Also present in the Northern Region Office (Modesto) – Judy Lewis, California Air Resources Board representative.

3. **Approve Minutes of September 12, 2001** – The Chairman asked if there were any corrections, comments or additions to the Minutes. The Board did not any corrections, comments or additions to the Minutes. Therefore, the Chairman declared the Minutes of September 12, 2001 approved as submitted.

All persons testifying were sworn in by the Chairman.

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

The Chairman requested that the Hearing Board Packet and any additional materials provided during the hearings be entered into the Official Record.

The Chairman requested the Petitioners to sign the Sign In Sheet.

Michael Carrera presented the Staff Reports.

Mr. Carrera introduced Ms. Judy Lewis, California Air Resources Board (CARB), Compliance Division. Mr. Carrera noted that CARB is currently conducting a audit of the District's Compliance Division.

4. **Public Hearings:**

Staff announced that Item I.) Docket No. S-01-20R, Aera Energy LLC was moved up on the agenda.

<p>I.) Docket No. S-01-20R, Regular Variance, Aera Energy LLC, 59231 Main Camp Road, McKittrick CA. 93251. Type of Business: Crude Oil and Natural Gas Production & Processing.</p>
--

Petitioner – Jim Marchesini and Brent Winn represented Aera Energy, LLC.

Mr. Marchesini and Mr. Winn presented to the Board and staff with a power point presentation with handouts of their presentation regarding Aera Energy LLC, Belridge Gas Plant Construction Variance, Docket No. S-01-20R.

Public Comments – No Public Comments.

Decision – Mr. Dean moved that the variance be granted. Mr. Dean stated that the required six findings set forth on pages 2 and 3 of the Staff could be made per the testimony presented by staff and the Petitioner. The motion was seconded by Ms. Wolber and carried unanimously with the following **Roll Call Vote**:

Ayes: **Wolber, Dean and Carlile.**
Noes: **None.**
Absent: **Thomson and Bland.**

Therefore, the Board took the following action: granted a Regular Variance to Docket No. S-01-20R, Aera Energy LLC. The variance is subject to the ten conditions set forth on pages 3 and 4 of the Staff Report. The following conditions were revised during the hearing: (1.) the variance shall be for a consecutive seventy-seven (77) day period to occur sometime between February 1, 2002 and October 18, 2002 (7.) Petitioner shall monitor on a daily basis (which may be changed at the District's discretion) (8) due date for written report changed to November 18, 2002 or 15 days after compliance is achieved

The Chairman noted that Docket No. items A., B., C. and D. appear to be similar. The Chairman asked the Petitioner and staff if they would be opposed to hearing A., B., C. and D. simultaneously. The Petitioner and staff indicated that they were not opposed to the Chairman's request.

Marvin Dean discussed a possible conflict of interest with Philip M. Jay, District Counsel, in respect to La Paloma Generating Project. After their discussion Mr. Jay stated that he did not hear any legal conflict of interest.

The Chairman sworn in Bill Steiner who was not present during the swearing in.

<p>A.) Docket No. S-01-33i, Interim Variance, La Paloma Generation Project-Unit 1, Docket No. S-01-34i, Interim Variance, La Paloma Generation Project-Unit 2, Docket No. S-01-35i, Interim Variance, La Paloma Generation Project-Unit 3, Docket No. S-01-36i, Interim Variance, La Paloma Generation Project-Unit 4. 1760 W. Skyline Road, McKittrick, CA. 93521. Type of Business: Electrical Power Generating Facilities.</p>
--

Petitioner – Zenis Walley, Bill Steiner and Thomas Rosse represented La Paloma Generation.

Public Comments – No Public Comment.

Decision – After an extensive hearing Mr. Dean moved that the interim variances be denied. The motion was seconded by Ms. Wolber and carried unanimously with the following **Roll Call Vote:**

Ayes: **Wolber, Dean and Carlile.**
Noes: **None.**
Absent: **Thomson and Bland.**

Therefore, the Board took the following action: denied the variance requests for Docket No. S-01-33i, Unit 1, Docket No. S-01-34i, Unit 2, Docket No. S-01-35i, Unit 3 and Docket No. S-01-36i, Unit 4, La Paloma Generating Projects.

E.)
Docket No. S-01-32S, Short Variance Aera Energy LLC, 19651 Highway 33, McKittrick, CA. 93251. Type of Business: Crude Oil and Natural Gas Production.

Petitioner – John Haley and Bruce Stanton represented Aera Energy LLC.

Public Comments: - No Public Comments.

Decision – Mr. Dean moved that the variance be granted. Mr. Dean stated that based on the testimony of staff and the Petitioner the six findings set forth on pages 2 and 3 of the Staff Report could be made. The motion was seconded by Ms. Wolber and carried unanimously with the following **Roll Call Vote:**

Ayes: **Wolber, Dean and Carlile.**
Noes: **None.**
Absent: **Thomson and Bland.**

Therefore, the Board took the following action: granted a Short Variance to Docket No. S-01-32S, Aera Energy LLC. The variance shall be effective for an eight-hour period to occur between October 10, 2001 and October 31, 2001. The variance is subject to the six conditions set forth on page 3 of the Staff Report. The six conditions will be set forth in the Order.

F.)
Docket No. S-01-37S, Short Variance, Kern River Cogeneration Co., P O Box 80478, Bakersfield, CA. 93380. Type of Business: Natural Gas-Fired Cogeneration Facility Producing Steam for Crude Oil Recovery and Electrical Power Generation.

Marvin Dean discussed a potential conflict of interest with Philip M. Jay, District Counsel, in respect to Kern River Cogeneration Co. Mr. Jay

inquired of Mr. Dean if he received any funds directly from Kern River Cogeneration or was he working for someone else. Mr. Dean indicated that he had not received any funds from Kern River Cogeneration. Mr. Jay stated that due to the attenuated nature and the fact it was two years ago he did not see any legal conflict under the Fair Political Practices Act.

Petitioner – Daniel Beck and Alan Dartnell represented Kern River Cogeneration Co.

Public Comments – No Public Comments.

Decision – Mr. Dean moved that the variance be granted. Mr. Dean stated that based on the testimony provided by the Petitioner and the District the six findings set forth on pages 2 and 3 of the Staff Report could be made. The motion was seconded by Ms. Wolber and carried unanimously with the following **Roll Call Vote**:

Ayes: *Wolber, Dean and Carlile.*

Noes: *None.*

Absent: *Thomson and Bland.*

Therefore, the Board took the following action: granted a Short Variance to Docket No. S-01-37S, Kern River Cogeneration Co. The variance shall be effective for a consecutive 24-hour period to occur between October 10, 2001 and December 31, 2001. The variance is subject to the five conditions set forth on pages 2 and 3 of the Staff Report (with a revision to Condition # 4 to read: Petitioner shall contact the District 24-hours in advance and upon completion of the testing of the ~~pressure relief valves~~ transmission line). The five conditions will be set forth in the Order.

**G.)
Docket No. S-01-39S, Short Variance, Equilon Enterprises LLC, 6451
Rosedale Highway, Bakersfield, CA. 93308. Type of Business: Petroleum
Refining of Crude Oil.**

Petitioner – Brian Pellens and James Edwards represented Equilon Enterprises LLC.

Public Comments – No Public Comments.

Decision – Mr. Dean moved that the variance be granted. Mr. Dean stated that based on the testimony provided by the Petitioner and the District the six findings set forth on pages 2 and 3 of the Staff Report could be made. The motion was seconded by Ms. Wolber and carried unanimously with the following **Roll Call Vote**:

Ayes: **Wolber, Dean and Carlile.**
Noes: **None.**
Absent: **Thomson and Bland.**

Therefore, the Board took the following action: granted a Short Variance to Docket No. S-01-39S, Equilon Enterprises LLC. The effective date was revised to the following: The variance shall be effective for a consecutive twelve (12) hour period to occur sometime between ~~November 1, 2001 and January 29, 2002~~ December 2, 2001 to February 28, 2002. The variance is subject to nine conditions set forth on pages 3 and 4 of the Staff Report (with a modification to Condition #1). The nine conditions will be set forth in the Order.

<p>H.) <u>Withdrawn</u> Docket No. S-01-41P, Stipulated Conditional Order of Abatement, Elk Hills Power, 4026 Skyline Road, Tupman, CA. 93276. Type of Business: Peaking Power Plant.</p>

5. **Receive and file: 2002 Southern Region Hearing Board Meeting Schedule**

The Board received and filed the 2002 Southern Region Hearing Board Meeting Schedule.

6. **Public Comments** – No Public Comments.

7. **Hearing Board Members Comments** – Marvin Dean requested that in the future he would appreciate it if the Staff Reports clearly reflected the District's position on the granting or denial of a variance.

Mr. Kard concurred with Mr. Dean's request.

Mr. Kard requested that in respect to the La Paloma Generating Project for Unit 1, 2, 3, and 4 if the Hearing Board Members would please retain the considerable volume of paperwork i.e. documents that staff sent in the Hearing Board Packet backing up the brief Staff Report for a future hearing on the La Paloma Generating Project.

8. **New Business** – No New Business.

*Action Summary Minutes of
Wednesday, October 10, 2001
Southern Region
Hearing Board Meeting*

9. **Next Scheduled Meeting** – **Wednesday**, November 14, 2001 at 10:00 a.m. The meeting will be held via video conferencing (VTC) in the Southern Region Office, 2700 M Street, Suite 275, VTC Room, Bakersfield with the Central Region Office (Fresno) included via VTC.
10. **Adjournment** – The Chairman, Hollis B. Carlile, adjourned the meeting at 11:38 a.m.

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