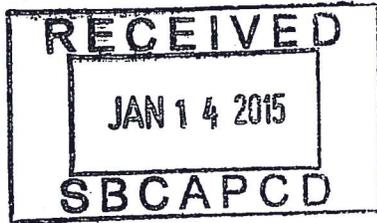




Santa Barbara County
Air Pollution Control District

Our Vision Clean Air



H.B. Case No.:	<u>2015-01-R</u>
Petitioner:	<u>Southern California Gas</u>
Permit No.:	<u>PT70/ATO 9584</u>
Date Rec'd:	<u>01/14/15</u>
Time Rec'd:	<u>13:45</u>
Filing Fee Paid:	<u>\$1,226.00</u>

PETITION FOR VARIANCE

Type of Variance Requested:

Emergency _____ Interim¹ _____ 90-Day _____ Regular X

Length of Variance Requested: Start Date February 4, 2015
End Date February 3, 2016

¹ A 90-Day or Regular Variance must be filed concurrently with an Interim Variance

1. PETITIONER INFORMATION

A. Please provide the name, address and phone number of the Petitioner.

Name: Southern California Gas Company
Address: 1171 More Ranch Road
Goleta, CA 93117
Phone Number: 805-681-8068

B. Please provide the name, address and phone number of the person authorized to receive correspondence regarding this Petition if different from response in 1.A.

Name: Edward Wiegman
Southern California Gas Company
1171 More Ranch Road
Goleta, CA 93117
Phone Number: 805-681-8068

C. The Petitioner is (please check one):

- 1) An Individual ()
- 2) Partnership ()
- 3) Corporation (**X**)
- 4) Public Agency ()
- 5) Other Entity (please describe)

2. Location of equipment for which the variance is requested if different from response in 1.A.

3. List any District permits that are applicable to the equipment subject to this variance request.

Part 70 and APCD Permit to Operate No. 9584-R4
ATC No. 13699
ATC No. 14159

4. Briefly describe the equipment that is the subject of this Petition.

The Equipment that is the subject of this Petition is an Internal Combustion Engine with Tag No. Main Unit # 2: 650 BHP natural gas fueled engine driving an integral compressor.

The permit equipment number for the Equipment is 001199.

The Equipment listed above is used at the Facility to provide compression as the Facility receives natural gas via pipeline from gas suppliers to the north and east, and then injects the gas into its underground storage reservoirs. This gas is later withdrawn and distributed to customers who include not only businesses and commercial facilities, but also homeowners and individuals who use natural gas for their everyday heating and cooking needs.

5. FINDINGS REQUIRED FOR THE GRANTING OF A VARIANCE

In order for the Hearing Board to grant a variance to a Petitioner authorizing the operation of a source in violation of any rule, regulation or order of the District, the Hearing Board is required to make "findings" in accordance with the requirements specified in California Health and Safety Code §42352, et. seq. and District rules and regulations. The Hearing Board's variance decision will take into consideration information you provide in this Petition. Please ensure your responses are complete and thorough. Please use additional pages as necessary.

A. Please state 1) what District rule, regulation or order you either are or will be in violation of, and 2) the date said violation will or did occur. Include as appropriate the applicable permit conditions for which variance relief is being sought.

Petitioner will be in violation of permit condition No. 9.C.1(a) (Emission limits), No. 9.C.1(b)(iv) (I&M Plan), No. 9.C.1(b)(v) (Catalyst), No. 9.C.1(b)(vi)(A) (AFRC) and SBCAPCD Rule 333 E.1.a, (Emissions Limits), if Petitioner were to operate the Equipment for break-in purposes after the recent overhaul.

- B. Please describe how compliance with the District rule, regulation or order listed in Section A above is beyond your reasonable control. In addition to any other relevant factors, please include in your discussion 1) what actions you have taken to comply or seek a variance, which were timely and reasonable under the circumstances.

Petitioner previously applied for and received two 90-day variances for this issue, Variance 12-14-N which was from September 1, 2014 to November 29, 2014, and Variance 29-14-N which will expire on February 9, 2015.

Petitioner completed the overhaul and the Equipment was started 5 times and accumulated total run time of less than 1 hour during the current variance period.

The break-in period is an iterative process which will involve multiple attempts to start and run the Equipment. With each start/run cycle, problems are identified and repaired and the Equipment gets tuned. The engine contractor was on site working with the Equipment during the periods from November 14-18, 2014 and then again on December 10, 2014.

During the period between November 18 and December 10, 2014, the Facility was in withdrawal mode and Petitioner was unable to run the Equipment. Starting on December 10, the Facility was in injection mode for several days. The Equipment was started and ran for 15 minutes but was shut down to repair a stuck valve. Since that time, the Facility has been in continuous withdrawal mode, except for the week of Christmas. Petitioner did have enough notice to bring the engine contractor out the week of Christmas and the Facility has been on near-continual withdrawal since Christmas week.

As stated above, the Equipment is used to provide compression as the Facility receives natural gas via pipeline from gas suppliers to the north and east, and then injects the gas into its underground storage reservoirs. This gas is later withdrawn and distributed to customers who include not only businesses and commercial facilities, but also homeowners and individuals who use natural gas for their everyday heating and cooking needs. The Facility is currently in the winter withdrawal season and cannot operate the Equipment to inject gas back into storage and ensure gas supplies adequate to meet the needs of all of Petitioner's customers.

Once the winter demand decreases and the Facility is able to ensure that it can both inject gas and meet the needs of Petitioner's customers, then Petitioner will continue the "break-in" period for the Equipment.

The Break-in Process

In order to return this Equipment to service, it is necessary to operate it under no load and light load (< 500 bhp) conditions in order to check, adjust, tune-up and "break-in" the Equipment after the overhaul. Petitioner estimates that this post overhaul run and maintenance work can be completed in about 150 hours of intermittent engine operation. During the approximate 150 hours of operation, the Equipment's exhaust will pass through a muffler, but the catalytic converter element will be removed to prevent oil fouling. Additionally, the Air/Fuel Ratio Controller is not capable of controlling throughout such a wide range of horsepower (0 bhp to 650 bhp) and will have to be shut off until the Equipment is capable of being operating at or near its normal load and temperatures. Upon completion of these post overhaul checks, adjustments and "break-in" run period, the catalytic converter element will be reinstalled, the Air Fuel Ratio Controller will be placed back in service and the Equipment will be operated at normal loads while our Mobile Emissions Lab will "dial in" the exhaust for compliance with emissions concentration limits. All of this work should be completed within the timeframe

that Petitioner is seeking for this variance. Petitioner will record runtime hours and fuel consumed during the variance period.

Once Petitioner is able to run the Equipment, Petitioner will need to schedule with the overhaul contractor to come and perform the break-in. The lead time for the contractor is approximately one week.

Petitioner has no control over when the necessary factual circumstances will be present so that it will be able to run and break-in the Equipment. The end of the withdrawal period is dependent on a number of factors that are beyond Petitioner's reasonable control: seasonal temperatures, customer demand vs. supply, among others. Because of this uncertainty, Petitioner is requesting a regular variance for a period of one year. This will allow Petitioner to ensure adequate gas supplies to its customers during the cooler months.

Once the withdrawal period has ended, Petitioner will schedule and perform the break-in of the Equipment. Once that work is completed, Petitioner will re-install the catalyst and air fuel ratio controller and operate the Equipment as normal. Petitioner hopes to have the Equipment in compliance and back to full operation in time for the injection season during the warmer months.

- C. Please describe how you would be impacted if you were required to immediately comply with the District rule, regulation or order the subject of this variance request. In addition to any other relevant factors, please discuss why such impacts would result in 1) an arbitrary or unreasonable taking of property, or 2) the practical closing and elimination of a lawful business.

If Petitioner were forced to comply with the above listed permit conditions when turning on the newly overhauled Equipment for the first time, then it would almost certainly cause damage to the Equipment's brand new catalyst. Furthermore, continuing to operate the Equipment with a damaged catalyst would result in poor catalyst performance. Additionally, if Petitioner stopped operating the Equipment to replace the damaged catalysts, Petitioner will still run the risk of damaging the new replacement catalysts once Petitioner turns the Equipment back on. This damage-&-replace cycle can go on indefinitely and can become very costly. Petitioner does not know how many sets of catalysts it may damage before all of the dirt and debris from the internal components of the Equipment have been flushed through.

- D. If you were required to immediately comply with the District rule, regulation or order the subject of this variance request, please describe what impact, if any, that would have on air contaminants.

As described in C., operating the newly overhauled Equipment with the catalyst installed will almost certainly result in damage to the catalyst, which would result in poor catalyst performance. Although Petitioner does not know exactly how the damaged catalyst will perform, Petitioner would expect an increase in air contaminants as a result of operating the Equipment with the damaged catalyst.

- E. Please describe what consideration you have given to curtailing operations in lieu of obtaining a variance.

Curtailment of operations would not address the need for a break-in period. In order to operate the Equipment and avoid catalyst damage, Petitioner needs variance coverage. Petitioner could perform the break-in period sooner by injecting gas during the

withdrawal period. But, as stated above, doing so will undermine Petitioner's ability to ensure sufficient gas supplies to its customers.

Running the Equipment now will likely result in curtailment of gas service to Petitioner's customers. The loss associated with that curtailment would be difficult to quantify and is dependent on factors such as weather conditions and supply vs. customer demand. Impacted customers include not only commercial and industrial customers, but also residential customers who use the gas for cooking and heating.

- F. Please describe what steps and measures you will take to reduce excess pollutant emissions the maximum extent feasible during the requested variance period.

The break-in period will be limited to no more than 150 hours. Every effort will be made to limit the time and fuel use during the break-in period.

- G. If requested to do so by the District, please describe how you will monitor or otherwise quantify and report to the District any pollutant emissions associated with the granting of your variance.

Petitioner will record operating hours and fuel consumption during the break-in period. Petitioner can estimate emissions by using the AP-42 emissions factors for controlled ICE's and fuel consumption/operating hours data.

6. SUPPLEMENTAL FINDINGS IF APPLYING FOR AN EMERGENCY VARIANCE PURSUANT TO RULE 506 (EMERGENCY VARIANCE FOR BREAKDOWNS)

- A. Please provide the date and time the breakdown was reported to the District

Date: _____ Time: _____

- B. Breakdown number (as provided by the District):

- C. Please provide a description of the "breakdown condition", including equipment involved and the cause to the extent it is known.

- D. Please describe why the continued operation of your facility in a "breakdown condition" is not likely to cause an immediate threat or hazard to public health or safety and will not interfere with the attainment or maintenance of any primary national ambient air quality standard.

7. Will the operation of the equipment subject to this variance result in violation of District Rule 303, Nuisance?

No.

8. Please state whether or not any civil or criminal case involving the equipment subject to this variance is pending any court.

None.

The undersigned is authorized to submit the above Petition on behalf of the Petitioner and further states under penalty of perjury that the above Petition, including any attachments and the items therein set forth, are true and correct.

DATE: January 14, 2015

SIGNATURE: _____



TITLE: _____

Storage Operations Manager

PRINT NAME: _____

Edward Wiegman

Variance Filing Fees: All variance Petitions must be accompanied by the requisite filing fee at the time of filing or include a letter from the Petitioner on company letterhead authorizing the District to debit the filing fee from the company's reimbursable account. You may also pay your filing fees by credit card using the attached form. Current variance filing fees may be found under Rule 210, schedule F, Sections 12a and 12b at <http://www.sbcapcd.org/fees.htm>

Credit Card Payment: The Variance Filing Fee may be paid with a credit card. Please use APCD Form -01C to pay via credit card. The form may be downloaded at: <http://www.sbcapcd.org/eng/dl/dl01.htm>



A  Sempra Energy utility®

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Gas Company
1171 More Ranch Road
Goleta CA 93111-2910

Mailing Address
PO Box 818
Goleta, CA 93116-0818

Edward Wiegman
EWiegman@semprautilities.com
Desk: 805.681.8068
Cell: 805.551 2689

January 14, 2015

Ms. Sara Hunt
County of Santa Barbara
Air Pollution Control District
260 North San Antonio Road, Suite A
Santa Barbara, CA. 93110-1315

Hand Delivery

Subject: Notification regarding:
Variance Petition MU2
Southern California Gas Company – La Goleta
Part 70/APCD Permit to Operate 9584-R
FID: 01734 SSID: 05019



Dear Ms. Hunt:

Please find attached a Petition for Variance to cover the equipment with the District ID No. 001199 MU2.

This equipment is currently covered by Variance Case No. 29-14-N, which expires on February 9, 2015. We are requesting a regular variance which would be in effect for a year from the hearing date, February 4, 2015 to February 3, 2016. .

Please let me know if you have any question or need additional information. I can be reached at 805.681.8068 or cell 805 551 2689.

Sincerely,


Edward Wiegman
Storage Operations Manager

cc: D. Freund
C. Strommen (District)
M. McKay (District)