

 <p>Santa Barbara County Air Pollution Control District</p>	Case No / Date	2015-20-R	08/05/15
	Petitioner	ExxonMobil Production Company	
	Permit #	Part 70/PTO 8092	
	Date Rec'd	06/26/15	
	Time Rec'd	16:43	
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**BEFORE THE HEARING BOARD
OF THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

In The Matter of the Application of)
ExxonMobil Production Company for)
an Interim Variance from District Rule)
328 and Rule 206, Condition 9.C.12)
and 9.C.12(b) of Part 70/Permit to)
Operate 8092.)

H.B. Case No. 2015-20-R
***** DRAFT *** VARIANCE FINDINGS**
AND ORDER

ExxonMobil Production Company filed a Petition for a Regular Variance on June 26, 2015. A hearing regarding the above-entitled matter was held on August 5, 2015 with Patrice Surmeier appearing for the Petitioner and Mike McKay appearing for the Santa Barbara County Air Pollution Control District.

This matter having been fully presented and duly considered, the Hearing Board makes the following findings and gives the following reasons for its decision.

1. Notice of the Hearing was duly given in the manner and for the time required by law.
2. Sworn testimony and argument on behalf of the Petitioner and the Air Pollution Control Officer were made, received and considered.
3. The Petitioner operates the equipment described in the Petition at POPCO's gas processing plant located approximately 25 miles northwest of the City of Santa Barbara, California.
4. ExxonMobil Production Company, a division of Exxon Mobil Corporation, is the holder of Permit to Operate 8092-R8. This main facility permit authorizes the operation of

equipment and processes located at the Pacific Offshore Pipeline Company (POPCO) Gas Plant which is part of the Exxon Santa Ynez Unit Project.

5. On May 19, 2015 the failure of Plain's All American Pipeline (Line 901) had direct facility impacts on ExxonMobil. Due to these impacts, the POPCO facility began depressurization on June 24, 2015. The annual relative accuracy test audits (RATA) were planned for the week of June 22, 2015 and are performed by an outside contractor, taking three or more days to complete. These tests were not able to be performed due to the pipeline shutdown, and subsequent depressurization of the POPCO facility. It is unknown how long the Plains All American Pipeline will be shutdown, therefore the Petitioner filed concurrently for an Interim and Regular Variance (Case Numbers 2015-19-I/2015-20-R) on June 26, 2015 as the Petitioner is in violation of the above mentioned permit condition specified in Part 70 Permit to Operate 8092-R8.
6. Until platform gas is re-established, RATA testing of the SO₂ stack analyzer, the inlet feed H₂S, and the Stretford tailgas H₂S analyzer is not feasible due to the lack of sulfur in the system. While the boiler may be operated periodically during this unknown length of shutdown to provide steam for maintenance activities, it would not be feasible to properly perform RATAs for the NO_x analyzer or RAA on the stack flow annubar during this maintenance activity because there would be very low boiler loads and operation time would be too short to schedule a RATA or RAA. Quarterly cylinder gas audits (CGA's) or calibrations of the Stretford unit tailgas H₂S analyzer, Stretford unit tailgas flow transmitters, plant inlet sour gas feed flow sensor, and the plant inlet H₂S analyzer could be performed, however they are unnecessary as there is no Stretford tailgas or inlet gas (platform gas) to be measured until POPCO returns to normal operation. The Petitioner will continue to perform quarterly NO_x and SO_x boiler analyzer CGA's unless it becomes clear that the boiler will be shut down for an extended period. If the boiler is restarted for maintenance activities, the CGA will be performed prior to the restart.
7. Without variance protection, the Petitioner would be in violation of District Rule 328 and 206, Part 70 Permit to Operate 8092-R8 Condition 9.C.12.
8. Due to conditions beyond the reasonable control of the Petitioner, returning to compliance at this time is not possible due to the closure of the Plains All American Pipeline (Line 901) for the unforeseen future. This would result in an arbitrary or unreasonable taking of property as the pipeline closure is outside of the Petitioner's control.
9. Closing or taking would be without a corresponding benefit in reducing air contaminants as there are no expected excess emissions as a result of the granting of this Variance.
10. The Petitioner has curtailed operations in that the entire facility is shut in and will continue to remain shut in until the Plains All American Pipeline is re-opened.

11. There are no expected excess emissions with the granting of this Variance.
12. A nuisance as defined in District Rule 303 is not expected to occur as a result of this Variance and there is not a likely immediate threat or hazard to public health or safety.
13. The District staff supports the Petition as conditioned below.

THEREFORE, THE HEARING BOARD ORDERS, as follows:

That a Regular Variance be granted for non-performance of the required testing and calibration procedures at the Petitioner's POPCO facility in violation of Rule 328 and Rule 206, Condition 9.C.12 and 9.C.12(b) of Part 70/Permit to Operate 8092 from June 26, 2015 through June 25, 2016, or within 90 calendar days of POPCO resuming the processing of platform gas, whichever occurs first, with the following conditions:

1. Petitioner shall submit a written report to the Hearing Board and District by July 15, 2016 or within 90 calendar days of POPCO resuming the processing of platform gas, whichever occurs first. The report shall include: status of compliance along with the dates and times of all testing and calibrations required to return the facility to compliance.
2. Petitioner shall retain the obligation to comply with all other local, state and federal regulations not specifically referenced in the Order.
3. Failure to abide by all conditions of this Order shall subject the Petitioner receiving the variance to penalties set forth in Health and Safety Code §42402.
4. Each day during any portion of which a violation occurs is a separate offense.

DATED: _____

AYES:

NOES:

ABSENT:

ABSTAIN:

Chair
Santa Barbara County Air Pollution Control District
Hearing Board