

ACTION SUMMARY
(Unofficial)

Hearing Board

July 1, 2015

9:30 A.M.

APCD Hearing Board Members:

Donald R. Ward
Dr. Francis P. Lagattuta
Robert J. Saperstein, Chair
David Schmarje
Larry Lavagnino, Vice-Chair

BOARD OF SUPERVISORS HEARING ROOM
County Administration Building
105 East Anapamu Street
Santa Barbara, CA

I. 9:41 a.m. – Convened by Vice-Chair Lavagnino – Roll Call

Present: 3 - Lagattuta, Schmarje, Lavagnino.

Absent: 2 - Ward, Saperstein.

II. Administration of Oath to Participants

All participants were sworn in.

III. Approval of minutes of the February 4, 2015 meeting

A motion was made by Hearing Board member Lagattuta, seconded by Hearing Board member Schmarje that the minutes be approved. The motion carried by the following vote.

Ayes: 3 - Lagattuta, Schmarje, Lavagnino.

Noes: 0 - None.

Abstain: 0 - None.

Absent: 2 - Ward, Saperstein.

IV. Requests for continuance or addition of Ex-Agenda items.

None.

V. Announcements/Staff Reports

None.

Clerk of the APCD Board:

Louis D. Van Mullem, Jr.

VI. Public Comment Period

There were no public comments.

VII. Public Hearings

- 1) **Case No. 2015-15-R** – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117

Hearing – To consider an application by ExxonMobil Production Company for a Regular Variance from District Rules 328, 206, and Conditions 9.C.7.(a)(i), 9.C.12 and 9.C.12.(a) of Permit to Operate 8092-R8. The Petitioner operates a Stretford Unit tail gas H₂S analyzer (AE-405) to continuously measure H₂S concentration at its gas processing plant, approximately 25 miles northwest of Santa Barbara, CA. The analyzer is currently operating under interim variance relief (Interim Variance Order 2015-14-I) due to false readings above the permitted limits.

Patrice Surmeier appeared on behalf of the Petitioner; Aimee Long represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Following testimony by the Petitioner and the District, the Hearing Board unanimously agreed that the six findings had been met. A motion was made by Hearing Board member Schmarje, seconded by Hearing Board member Lagattuta to accept the findings as stated by the Hearing Board and that the variance be granted as submitted in the draft Findings and Order. Regular Variance number 2015-15-R was granted with conditions as specified in the Findings and Order for the period of June 6, 2015 through June 5, 2016 or the date the analyzer is repaired/replaced, whichever occurs first, by the following vote:

Ayes: 3 - Lagattuta, Schmarje, Lavagnino.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 2 - Ward, Saperstein.

ADMINISTRATIVE AGENDA

Approved by vote on one motion. These items read only on request of Hearing Board members.

The following Variance Orders have been approved by the Air Pollution Control District Hearing Board. These orders are available for inspection and reproduction during normal business hours at the office of the Air Pollution Control District, 260 North San Antonio Rd., Suite A, Santa Barbara, California 93110.

- A-1) **Case No. – 2015-02-I** – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117

On January 30, 2015 Hearing Board member Larry Lavagnino approved an Interim Variance for the period of January 28, 2015 through April 27, 2015 or the date of decision on Petitioner's request for a 90-Day Variance, whichever occurs first. Said variance provides relief from District Rule 333.F.3 and Rule 206, Conditions C.1(a)(1) and C.1(b)(1) of Permit to Operate 14010 and allows for continued operation of the Platform Heritage East Pedestal Crane engine while the cause of increased CO is identified and corrected.

A-2) Case No. – 2015-03-N – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117

On February 12, 2015 Hearing Board member Larry Lavagnino approved a 90-Day Variance for the period of January 28, 2015 through April 27, 2015 or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rule 333.F.3 and Rule 206, Conditions C.1(a)(1) and C.1(b)(1) of Permit to Operate 14010 and allows for continued operation of the Platform Heritage East Pedestal Crane engine while the cause of increased CO is identified and corrected.

A-3) Case No. – 2015-04-E – Sierra Resources
P.O. Box 2788, Mammoth Lakes, CA 93546-2788

On February 17, 2015 Hearing Board member Donald Ward approved an Emergency Variance for the period of February 17, 2015 through March 3, 2015. Said variance provides relief from District Rules 325 and 206 of Permit to Operate 8269 and allows for continued operation of Petitioner's H.P. Boyne Lease without an operable Vapor Recovery System while repairs are made on the flare line.

A-4) Case No. – 2015-05-E – Venoco, Inc.
6267 Carpinteria Avenue, Carpinteria, CA 93013

On February 26, 2015 Hearing Board member David Schmarje approved an Emergency Variance for the period of February 23, 2015 through March 9, 2015. Said variance provides relief from District Rule 206, Condition 9.C.3(b)(ii) of Part 70/Permit to Operate 8234 and allows for the continued operation of Petitioner's Platform Holly while repairs are made to a malfunctioning pressure safety valve.

A-5) Case No. – 2015-06-E – Freeport-McMoRan Oil & Gas
201 South Broadway, Orcutt, CA 93455

On February 26, 2015 Hearing Board member Larry Lavagnino approved an Emergency Variance for the period of February 27, 2015 through March 13, 2015. Said variance provides relief from District Rule 331.E.1(f) and allows for the continued operation of Petitioner's Well C-1, located on Platform Hidalgo, while repairs are made to a leak in a casing valve.

A-6) Case No. – 2015-07-E – Sierra Resources
P.O. Box 2788, Mammoth Lakes, CA 93546-2788

Withdrawn.

A-7) Case No. – 2015-08-I – Freeport-McMoRan Oil & Gas
201 South Broadway, Orcutt, CA 93455

On March 13, 2015 Hearing Board member Larry Lavagnino approved an Interim Variance for the period of March 14, 2015 through June 11, 2015 or the date of decision on Petitioner's request for a 90-Day Variance, whichever occurs first. Said variance provides relief from District Rule 331.E.1(f) and allows for the continued operation of Petitioner's Well C-1, located on Platform Hidalgo, while repairs are made to a leak in a casing valve.

**A-8) Case No. – 2015-09-N – Freeport-McMoRan Oil & Gas
201 South Broadway, Orcutt, CA 93455**

On March 25, 2015 Hearing Board member Larry Lavagnino approved a 90-Day Variance for the period of March 14, 2015 through June 11, 2015, or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rule 331.E.1(f) and allows for the continued operation of Petitioner's Well C-1, located on Platform Hidalgo, while repairs are made to a leak in a casing valve.

**A-9) Case No. – 2015-10-E – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On March 20, 2015 Hearing Board member Robert Saperstein approved an Emergency Variance for the period of March 19, 2015 through April 17, 2015, or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rules 333.F.3 and Rule 206, Conditions C.1(a)(1) and C.1(b)(1) of Permit to Operate 14009 and allows for the continued operation of Petitioners' Platform Harmony East Pedestal Crane engine while repairs are made to the crane engine/catalyst.

**A-10) Case No. – 2015-11-E – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On April 2, 2015 Hearing Board member David Schmarje approved an Emergency Variance for the period of March 28, 2015 through April 11, 2015, or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rule 206, Condition 9.C.2(c)(iv) of Part 70/Permit to Operate 5651 and allows for continued operation of Petitioners thermal oxidizer without the automatic high pressure flare sampling system while repairs are made.

**A-11) Case No. – 2015-12-E – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On April 23, 2015 Hearing Board member Larry Lavagnino approved an Emergency Variance for the period of April 20, 2015 through May 4, 2015, or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rule 359 D.1(a) and Rule 206, Condition 9.C.2(b)(iii) of Part 70/ Permit to Operate 5651 and allows for continued operation of Petitioner's thermal oxidizer (EAW-1601) while the source of elevated H₂S is located and repaired.

**A-12) Case No. – 2015-13-E –MM Tajiguas Energy LLC
14470 Calle Real, Gaviota, CA 93117**

On May 5, 2015 Hearing Board member David Schmarje approved an Emergency Variance for the period of May 5, 2015 through June 3, 2015, or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rule 206, Condition 9.C.2(a) of Part 70/Permit to Operate 09788 and allows for continued operation of the Petitioner's 4231 bhp landfill gas fired internal combustion engine in order to diagnose excess PM emissions and retest for compliance.

**A-13) Case No. – 2015-14-I – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On June 11, 2015 Hearing Board member Larry Lavagnino approved an Interim Variance for the period of June 6, 2015 through September 3, 2015, or the date of decision on Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rule 328 and Rule 206, Conditions 9.C.7(a)(i), 9.C.12 and 9.C.12(a) of Part 70 Permit to Operate 8092 and allows for continued operation of a Stretford Unit tail gas H₂S analyzer (AE-405) reading falsely high, until the time necessary maintenance can be performed.

**A-14) Case No. – 2015-16-I – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On June 11, 2015 Hearing Board member Larry Lavagnino approved an Interim Variance for the period of June 7, 2015 through September 4, 2015, or the date of decision on Petitioner's request for a 90-Day Variance, whichever occurs first. Said variance provides relief from District Rule 206, Condition 9.C.1(a)(i) of Part 70/Permit to Operate 5651 and allows for continued operation of the Petitioner's Gas Turbine Generator (GTG) Zan-2501 and Heat Recovery Steam Generator (HRSG) while a replacement for a faulty valve is obtained and installed.

**A-15) Case No. – 2015-18-E – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On June 11, 2015 Hearing Board member Larry Lavagnino approved an Emergency Variance for the period of June 9, 2015 through June 23, 2015. Said variance provides relief from District Rule 206, Conditions 9.C.2(a), 9.C.2(b)(iv) and 9.C.2(b)(xi) of Part 70/Permit to Operate 8092 and allows for continued operation of Thermal Oxidizer (A-803) while the source of elevated H₂S is identified and remediated.

A motion was made by Hearing Board member Schmarje, seconded by Hearing Board member Lagattuta that Administrative Agenda items A-1 through A-15 be received and filed. The motion carried by the following vote.

Ayes: 3 - Lagattuta, Schmarje, Lavagnino.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 2 - Ward, Saperstein.

ADJOURN

The meeting was adjourned at 9:53 a.m.

ANNOUNCEMENTS

The next regularly scheduled meeting of the Santa Barbara County Air Pollution Control District Hearing Board is August 5, 2015 at 9:30 a.m.