

ACTION SUMMARY
(Unofficial)

Hearing Board

November 4, 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. 9:31 a.m. – Convened by Chair Saperstein – Roll Call

Present: 4 - Ward, Lagattuta, Saperstein, Lavagnino.

Absent: 1 - Schmarje.

II. Administration of Oath to Participants

All participants were sworn in.

III. Approval of minutes of the August 5, 2015 meeting

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

Ayes: 4 - Ward, Lagattuta, Saperstein, Lavagnino.

Noes: 0 - None.

Abstain: 0 - None.

Absent: 1 - Schmarje.

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

None.

V. Announcements/Staff Reports

There were no announcements or staff reports.

VI. Public Comment Period

There were no public comments.

Clerk of the APCD Board:

Louis D. Van Mullem, Jr.

VII. Public Hearings

- 1) **Case No. – 2015-26-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 311, 328, 342, 359, and Rule 206, Conditions 9.C.1(c), 9.C.1(c)(iv), 9.C.1(c)(v), 9.C.7(a), 9.C.7(c), 9.C.7(c)(i), 9.C.12, 9.C.12(a), 9.C.12(f), 9.C.13, 9.C.20, and 9.C.21, as well as 8.4.4 of the CEMS plan of Part 70/Permit to Operate 8092. The Petitioner operates the equipment described in this Petition at the POPCO gas processing plant, approximately 25 miles northwest of Santa Barbara, CA and is currently operating under Interim Variance Order 2015-25-I.

Patrice Surmeier and Brian Smith appeared on behalf of the Petitioner; Mike McKay represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

During testimony the Petitioner stated that after the petition was initially filed, additional conditions were identified which could not be complied with due to the same cause and requested that Rule 331, and Condition 9.C.3(c)(i) of Part 70/Permit to Operate 8092 and Condition 9.C.4.(c)(i) of Part 70/Permit to Operate 9102 be added to the Variance. 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 Lagattuta, seconded by Hearing Board member Ward to accept the findings as stated by the Hearing Board and that the variance be granted as submitted in the draft Findings and Order with the inclusion of the additional requested conditions. Regular Variance number 2015-26-R was granted with conditions as specified in the Findings and Order for the period of September 30, 2015 through September 29, 2016, or the date the facility resumes platform gas processing, whichever occurs first, by the following vote:

Ayes: 4 - Ward, Lagattuta, Saperstein, Lavagnino.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Schmarje.

- 2) **Case No. – 2015-28-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 311, 325, 328, 359, and Rule 206, Conditions 9.C.1(c), 9.C.6(c)(vii), 9.C.8(c), 9.C.15, 9.C.16, and 9.C.17, as well as 8.1.1, 8-2, 8-6, and 8-7 of the CEMS plan of Part 70/Permit to Operate 5651. The Petitioner operates the equipment described in this Petition at the Las Flores Canyon oil and gas processing plant, approximately 25 miles northwest of Santa Barbara, CA and is currently operating under Interim Variance Order 2015-27-I.

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

During testimony the Petitioner stated that after the petition was initially filed, additional conditions were identified which could not be complied with due to the same cause and requested that Rule 331, and Conditions 9.C.3(c)(i), 9.C.3(c)(ii), and 9.C.3(c)(iii) of Part 70/Permit to Operate 5651 be added to the Variance. 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 Lavagnino, 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 with the inclusion of the additional requested conditions. Regular Variance number 2015-28-R was granted with conditions as specified in the Findings and Order for the period of September 30, 2015 through September 29, 2016, or the date the facility resumes platform gas processing, whichever occurs first, by the following vote:

Ayes: 4 - Ward, Lagattuta, Saperstein, Lavagnino.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Schmarje.

3) **Case No. – 2015-30-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 and Rule 206, Condition 9.C.15 as well as 8.4 and 8-11 of the CEMS plan of Part 70/Permit to Operate 5651. The Petitioner operates the equipment described in this Petition at the Las Flores Canyon oil and gas processing plant, approximately 25 miles northwest of Santa Barbara, CA and is currently operating under Interim Variance Order 2015-29-I.

Patrice Surmeier appeared on behalf of the Petitioner; Mike McKay 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 Lavagnino, seconded by Hearing Board member Ward 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 2015-30-R was granted with conditions as specified in the Findings and Order for the period of September 30, 2015 through September 29, 2016, or six (6) months after the date the facility resumes processing platform gas, whichever occurs first, by the following vote:

Ayes: 4 - Ward, Lagattuta, Saperstein, Lavagnino.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Schmarje.

VIII. 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. – 2015-21-E – Greka Oil & Gas, Inc.
P.O. Box 5489, Santa Maria, CA 93456

On August 7, 2015 Hearing Board member Robert Saperstein approved an Emergency Variance for the period of August 6, 2015 through August 20, 2015. Said variance provides relief from District Rules 325.D and E and Rule 206, Conditions 7 and 8 of Permit to Operate 8868 and allows for continued operation of the Petitioner's Fullerton Lease Tank Battery while repairs are made to the Vapor Recovery Compressor.

- A-2) Case No. – 2015-22-E – Imerys
2500 Miguello Road, Lompoc, CA 93436

On September 22, 2015 Hearing Board member Larry Lavagnino approved an Emergency Variance for the period of September 15, 2015 through September 29, 2015. Said variance provides relief from District Rule 206, Condition 9.C(1) of Permit to Operate 12105 and allows for continued operation of 7 system while measures are taken to identify and correct a CO exceedance.

- A-3) Case No. – 2015-23-I – Freeport McMoRan
201 South Broadway, Orcutt, CA 93455

On October 1, 2015 Hearing Board member David Schmarje approved an Interim Variance for the period of September 30, 2015 through December 28, 2015, or the date of decision of Petitioner's request for a 90-Day Variance, whichever occurs first. Said variance provides relief from District Rule 206, Conditions 9.c.4(a)(i) and 9.C.4(a)(ii) and allows petitioner to operate in violation of the vapor recovery efficiency requirements due to system shutdown.

- A-4) Case No. – 2015-24-N – Freeport McMoRan
201 South Broadway, Orcutt, CA 93455

On October 13, 2015 Hearing Board member David Schmarje approved a 90-Day Variance for the period of September 30, 2015 through December 28, 2015. Said variance provides relief from District Rule 206, Conditions 9.c.4(a)(i) and 9.C.4(a)(ii) and allows petitioner to operate in violation of the vapor recovery efficiency requirements due to system shutdown.

- A-5) Case No. – 2015-25-I – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117

On October 13, 2015 Hearing Board member David Schmarje approved an Interim Variance for the period of September 30, 2015 through December 28, 2015, or the date of decision of Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rules 311, 328, 342, 359 and 206, Conditions 9.C.1(c), 9.C.1(c)(iv), 9.C.1(c)(v), 9.C.7(a), 9.C.7(c), 9.C.7(c)(i), 9.C.12, 9.C.12(a), 9.C.12(f), 9.C.13, 9.C.20, and 9.C.21 of Part 70/Permit to Operate 8092 due to facility shut-in.

**A-6) Case No. – 2015-27-I – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On October 13, 2015 Hearing Board member David Schmarje approved an Interim Variance for the period of September 30, 2015 through December 28, 2015, or the date of decision of Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rules 311, 325, 328, 359 and Rule 206, Conditions 9.C.1(c), 9.C.6(c)(vii), 9.C.8(c), 9.C.15, 9.C.16, and 9.C.17 of Part 70/Permit to Operate 5651 due to facility shut-in.

**A-7) Case No. – 2015-29-I – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On October 13, 2015 Hearing Board member David Schmarje approved an Interim Variance for the period of September 30, 2015 through December 28, 2015, or the date of decision of Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rules 328 and Rule 206, Condition 9.C.15 of Part 70/Permit to Operate 5651 due to facility shut-in.

A motion was made by Hearing Board member Ward, seconded by Hearing Board member Lavagnino that Administrative Agenda items A-1 through A-7 be received and filed. The motion carried by the following vote.

Ayes: 4 - Ward, Lagattuta, Saperstein, Lavagnino.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Schmarje.

ADJOURN

The meeting was adjourned at 10:08 a.m.

ANNOUNCEMENTS

The next regularly scheduled meeting of the Santa Barbara County Air Pollution Control District Hearing Board is December 2, 2015 at 9:30 a.m.