

	<b>Case No / Date</b>	<b>2016-15-R</b>	<b>06/01/16</b>
	<b>Petitioner</b>	<b>ExxonMobil Production Company</b>	
	<b>Permit #</b>	<b>Part 70/PTO 8092</b>	
	<b>Date Rec'd</b>	<b>04/12/16</b>	
	<b>Time Rec'd</b>	<b>11:47</b>	
<b>FOR OFFICIAL USE ONLY</b>			

**BEFORE THE HEARING BOARD  
OF THE SANTA BARBARA COUNTY  
AIR POLLUTION CONTROL DISTRICT**

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

**\*\*\*DRAFT\*\*\***

**H.B. Case No. 2016-15-R**

**VARIANCE FINDINGS**

**AND ORDER**

On April 12, 2016, ExxonMobil Production Company filed a Petition for a Regular Variance, requesting a Modification of the Final Compliance Date for Variance No. 2015-20-R. The Regular Variance was heard on June 01, 2016 in accordance with Health and Safety Code §40808 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. As a result of the Plains All American Pipeline (AAPL) Line 901 failure on May 19, 2015, ExxonMobil Production Company has experienced facility impacts. 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 AAPL will be shutdown, therefore on August 05, 2015, the Hearing Board heard and issued Regular Variance Order 2015-20-R, providing relief from the above conditions through June 25, 2016.
6. Until platform gas is re-established; RATA testing of the SO<sub>2</sub> stack analyzer, the inlet feed H<sub>2</sub>S, and the Stretford tailgas H<sub>2</sub>S analyzer is not feasible due to the lack of sulfur in the system. At this time, it is unclear when the restart of the Petitioners facility may occur. Per Health and Safety Code §42357, the Petitioner is requesting a Modification of Final Compliance Date, extending variance coverage through June 25, 2017. There are no expected emissions related to the granting of the Petitioners request.
7. 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.
8. Pursuant to Health and Safety Code §42359.5, it is found that “good cause” exists for the granting of Petitioner’s request for a Modification of the Final Compliance Date set forth in 2015-20-R.
9. 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, 2016 through June 25, 2017, or within 90 calendar days of POPCO resuming the processing of platform gas, whichever occurs first, with the following conditions:

1. Petitioner shall submit increments of progress to the Hearing Board and District on the first day of every calendar quarter after the date of approval of the Regular Variance beginning July 1, 2016. The increments of progress report shall include: status of compliance, any corrective action taken to date, and the dates, times, volumes and actual emissions, if any, that occurred during the variance.
2. Petitioner shall submit a written report to the Hearing Board and District by July 15, 2017 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.

3. Petitioner shall retain the obligation to comply with all other local, state and federal regulations not specifically referenced in the Order.
4. 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.
5. Each day during any portion of which a violation occurs is a separate offense.

**DATED:** \_\_\_\_\_

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chair  
Santa Barbara County Air Pollution Control District  
Hearing Board