



HEARING BOARD STAFF REPORT

TYPE: REGULAR VARIANCE

CASE NO: 2016-15-R

DATE: June 01, 2016

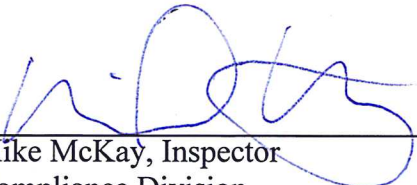
1.0 GENERAL INFORMATION:

- 1.1 PETITIONER NAME: ExxonMobil Production Company (ExxonMobil)
- 1.2 EQUIPMENT LOCATION: Petitioner operates the equipment described in the Petition at 12000 Calle Real, Goleta, CA
- 1.3 PERMIT NUMBER(S): Part 70/Permit to Operate 8092
- 1.4 FACILITY NAME/ID: POPCO, FID 03170
- 1.5 FACILITY DESCRIPTION: The Pacific Offshore Pipeline Company (POPCO) Gas Plant is part of the *Exxon – Santa Ynez Unit (SYU) Project* stationary source (SSID # 01482). The *Exxon – SYU Project* stationary source consists of five facilities: Platform Harmony (FID 08018), Platform Heritage (FID 08019), Platform Hondo (FID 08009), Las Flores Canyon Oil and Gas Plant (FID 01482), and POPCO Gas Plant (FID 03170). POPCO, a subsidiary of Exxon Mobil Corporation, owns the facility. ExxonMobil Production Company (ExxonMobil), an unincorporated division of Exxon Mobil Corporation, operates the facility. POPCO has operated the existing gas processing plant since 1984, processing raw sour gas produced from the SYU oil and gas field located in the Outer Continental Shelf. The POPCO Gas Plant facility currently includes a Sulfur Removal Unit, two 41.000 MMBtu/hr steam boilers, two tri-ethylene glycol reboilers, an electrically driven propane refrigerant gas treatment system, and a thermal oxidation unit.

- 2.0 REASON FOR THE VARIANCE REQUEST: As a result of the Plains All American Pipeline (AAPL) Line 901 failure on May 19, 2015, ExxonMobil Production Company has experienced facility impacts. On August 05, 2015, the Hearing Board heard and issued Regular Variance Order 2015-20-R, providing relief from the conditions listed in 6.0 through June 25, 2016. 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. 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.

- 3.0 BACKGROUND: An application was submitted on April 12, 2016 by ExxonMobil Production Company to consider a Modification of a Final Compliance Date of Regular Variance 2015-20-R. If granted, 2016-15-R would grant enforcement relief from June 26, 2016 through June 25, 2017, or the date the facility resumes operations, whichever occurs first. A Regular Variance was requested due to the unknown timeline for the AAPL repair.

- 4.0 **PERMITTING HISTORY:** The POPCO Gas Plant was permitted in two phases. The first phase was constructed in 1980 under District Rule 205. While the second phase was constructed in 1984 and routine operations began. Modifications to the Sulfur Recovery Unit (SRU) were made in 1997.
- 5.0 **COMPLIANCE HISTORY:** The Relative Accuracy Test Audits have historically been performed in compliance with District rules and regulations.
- 6.0 **REGULATORY ANALYSIS:** The following permit conditions of Part 70 Permit to Operate 8092-R8 and rule requirements are applicable to the variance request:
- **Condition 9.C.12 (CEM)**
 - (b) *Performance certification (relative accuracy testing and seven day calibration drift test) of the boiler SOx & NOx, inlet feed H₂S and Stretford Tailgas H₂S analyzers shall occur at least once per year, or more often if determined necessary by the District. POPCO shall perform quarterly quality assurance audits as per 40 CFR 60, Appendix F on these analyzers. Additional continuous monitors or redundant systems may be required by the District if problems with the facility or the continuous monitors develop which warrant additional monitoring.*
 - **Rule 328 (Continuous Emissions Monitoring)**
 - *Install, calibrate, operate, and maintain in good working order equipment for continuously monitoring and recording emissions from a stationary source.*
- 7.0 **EMISSIONS ANALYSIS:** Excess emissions are not expected as a result of granting this Variance.
- 8.0 **RESERVED**
- 9.0 **OTHER FACTORS:** none
- 10.0 **DISTRICT RECOMMENDATION:** The APCD supports the Petitioner's request and recommends the granting of a Regular Variance for ExxonMobil listed in the attached draft variance order.
- 11.0 **ATTACHMENTS:**
- Attachment 1 – Draft Regular Variance Order 2016-15-R
 - Attachment 2 – Approved Regular Variance Order 2015-20-R



Mike McKay, Inspector
Compliance Division

05/17/16

Date