

**ACTION SUMMARY**  
**(Unofficial)**

**Hearing Board**

**April 6, 2016**

**9:30 A.M.**

**APCD Hearing Board Members:**

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

**BOARD OF SUPERVISORS HEARING ROOM  
COUNTY ADMINISTRATION BUILDING  
105 EAST ANAPAMU STREET  
SANTA BARBARA, CA**

**I. 9:42 a.m. – Convened by Chair Saperstein – Roll Call**

Present: 4 - Ward, Lagattuta, Saperstein, Schmarje (arrived at 10:00a).

Absent: 1 - Lavagnino.

**II. Election of Chair and Vice-Chair for 2016**

A motion was made by Chair Saperstein, seconded by Hearing Board member Lagattuta to elect Larry Lavagnino as Chair and Donald Ward as Vice-Chair. The motion carried by the following vote.

Ayes: 3 - Ward, Lagattuta, Saperstein.

Noes: 0 - None.

Abstain: 0 - None.

Absent: 2 - Schmarje, Lavagnino.

*At this time Vice-Chair Ward took the gavel.*

**III. Administration of Oath to Participants**

All participants were sworn in.

**IV. Approval of minutes of the December 2, 2015 meeting**

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

Ayes: 3 - Ward, Lagattuta, Saperstein.

Noes: 0 - None.

Abstain: 0 - None.

Absent: 2 - Schmarje, Lavagnino.

**Clerk of the APCD Board:**

Aeron Arlin Genet

**V. Requests for continuance or addition of Ex-Agenda items.**

None.

**VI. Announcements/Staff Reports**

There were no announcements or staff reports.

**VII. Public Comment Period**

There were no public comments.

**VIII. Public Hearings**

**1) Case No. – 2016-06-R -**

**Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

**Hearing – To consider an application by Freeport McMoRan (FMOG) submitted on March 10, 2016 for a Regular Variance from District Rules 328 and 206, Conditions 9.B.2, 9.C.1(b), 9.C.13, 9.C.15, 9.C.21, 9.C.26(n), and 9.D.4 of Part 70/Permit to Operate 5704-R4. The Petitioner operates the equipment described in the Petition at the Gaviota Oil & Heating Facility (GOHF), located at 17100 Calle Mariposa Reina, Gaviota, CA and is currently operating under Interim Variance Order 2016-05-I.**

Glenn Oliver 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 Saperstein, 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 2016-06-R was granted with conditions as specified in the Findings and Order for the period of March 11, 2016 through March 10, 2017, or the date the facility resumes operations, whichever occurs first, by the following vote:

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

**2) Case No. – 2016-08-R -**

**Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

**Hearing – To consider an application by Freeport McMoRan (FMOG) submitted on March 10, 2016 for a Regular Variance from District Rule 206, Conditions 9.B.2, 9.C.3, 9.C.26(h), and 9.C.26(i) of Part 70/Permit to Operate 9103-R4. The Petitioner operates the equipment described in the Petition at Platform Harvest (Harvest), located on offshore lease tract OCS-P-0315, approximately ten miles offshore of Point Arguello, California and is currently operating under Interim Variance Order 2016-07-I.**

*Hearing Board member Schmarje arrived at this time.*

Glenn Oliver 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 Saperstein, seconded by Vice-Chair 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 2016-08-R was granted with conditions as specified in the Findings and Order for the period of March 11, 2016 through March 10, 2017, or the date the facility resumes operations, whichever occurs first, by the following vote:

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

**3) Case No. – 2016-10-R -**

**Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

**Hearing – To consider an application by Freeport McMoRan (FMOG) submitted on March 10, 2016 for a Regular Variance from District Rule 206, Conditions 9.B.2, 9.C.3, 9.C.24(h), and 9.C.24(i) of Part 70/Permit to Operate 9104-R4. The Platform Hermosa (Hermosa), located on offshore lease tract OCS-P-0316, approximately ten miles offshore of Point Arguello, California and is currently operating under Interim Variance Order 2016-09-I.**

Glenn Oliver 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 Lagattuta, seconded by Hearing Board member Saperstein 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 2016-10-R was granted with conditions as specified in the Findings and Order for the period of March 11, 2016 through March 10, 2017, or the date the facility resumes operations, whichever occurs first, by the following vote:

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

**4) Case No. – 2016-12-R -**

**Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

**Hearing – To consider an application by Freeport McMoRan (FMOG) submitted on March 10, 2016 for a Regular Variance from District Rule 206, Conditions 9.B.2, 9.C.3, 9.C.24(h), and 9.C.24(i) of Part 70/Permit to Operate 9105-R4. The Petitioner operates the equipment described in the Petition at Platform Hidalgo (Hidalgo), located on offshore lease tract OCS-P-0450, approximately seven miles offshore of Point Arguello, California and is currently operating under Interim Variance Order 2016-11-I.**

Glenn Oliver 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 Saperstein, 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 2016-12-R was granted with

conditions as specified in the Findings and Order for the period of March 11, 2016 through March 10, 2017, or the date the facility resumes operations, whichever occurs first, by the following vote:

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

5) **Case No. – 2016-13-R** -

**ExxonMobil Production Company  
12000 Calle Real, Goleta, CA 93117**

**Hearing – To consider an application by ExxonMobil Production Company submitted on March 11, 2016 for the Modification of a Final Compliance Date of Regular Variance 2015-15-R. The Petitioner is requesting continued relief 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 the equipment described in this Petition at its gas processing plant, approximately 25 miles northwest of Santa Barbara, CA.**

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 good cause was shown to modify the final compliance date of Regular Variance 2015-15-R. A motion was made by Hearing Board member Saperstein, seconded by Hearing Board member Schmarje 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 2016-13-R was granted with conditions as specified in the Findings and Order for the period of June 6, 2016 through June 5, 2017, or the date the facility resumes platform gas processing, whichever occurs first, by the following vote:

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

**IV. 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. – 2015-40-E – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

**On November 12, 2015 Hearing Board member Larry Lavagnino approved an Emergency Variance for the period of November 5, 2015 through December 4, 2015. Said variance provides relief from District Rule 331.E.1(f) and allows for continued operation of the Petitioner's Well C-1 while repairs are made to a leak in a casing valve.**

**A-2) Case No. – 2015-41-I – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On December 2, 2015 Hearing Board member Larry Lavagnino approved an Interim Variance for the period of December 5, 2015 through March 3, 2016, or the date of decision regarding the Petitioner's request for a 90-Day Variance, whichever occurs first. Said variance provides relief from District Rules 331.E.1(f) and 206, Condition 9.C.4 of Part 70/Permit to Operate 9105 and allows for continued operation of the Petitioner's Well C-1 while repairs are made to a leak in a casing valve.

**A-3) Case No. – 2015-42-N – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On January 7, 2016 Hearing Board member Larry Lavagnino approved a 90-Day Variance for the period of December 5, 2015 through March 3, 2016, or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rules 331.E.1(f) and 206, Condition 9.C.4 of Part 70/Permit to Operate 9105 and allows for continued operation of the Petitioner's Well C-1 while repairs are made to a leak in a casing valve.

**A-4) Case No. – 2016-01-E – ExxonMobil Production Company  
201 South Broadway, Orcutt, CA 93455**

On January 7, 2016 Hearing Board member Donald Ward approved an Emergency Variance for the period of January 7, 2016 through February 5, 2016. Said variance provides relief from District Rules 359.D.1.a and 206, Conditions 9.C.2(a) and 9.C.2(b)(iv) of Part 70/Permit to Operate 8092 and allows for operation of the Thermal Oxidizer (A-803) in order to bring the facility into a preserved state.

**A-5) Case No. – 2016-02-I – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On January 19, 2016 Hearing Board member David Schmarje approved an Interim Variance for the period of January 12, 2016 through April 10, 2016, or the date of decision on the Petitioner's request for a 90-Day Variance, whichever occurs first. Said variance provides relief from District Rules 328 and 206, Condition 9.C.2(c)(iv) of Part 70/Permit to Operate 9106 and allows for continued operation of Petitioner's H2S analyzer while repairs are made.

**A-6) Case No. – 2016-03-N – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On February 1, 2016 Hearing Board member David Schmarje approved a 90-Day Variance for the period of January 12, 2016 through April 10, 2016, or the date compliance is achieved, whichever occurs first. Said variance provides relief from District Rules 328 and 206, Condition 9.C.2(c)(iv) of Part 70/Permit to Operate 9106 and allows for continued operation of Petitioner's H2S analyzer while repairs are made.

**A-7) Case No. – 2016-04-E – Santa Maria Energy  
2811 Airpark Drive, CA 93455**

On March 11, 2016 Hearing Board member Larry Lavagnino approved an Emergency Variance for the period of March 16, 2016 through April 14, 2016. Said variance provides relief from District Rules 359 and 206, Condition 6 Permit to Operate 8896 and allows for operation of Petitioner's Careaga Lease without an operable Thermal Oxidizer.

**A-8) Case No. – 2016-05-I – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On March 17, 2016 Hearing Board member David Schmarje approved an Interim Variance for the period of March 11, 2016 through June 8, 2016, or the date of decision on the Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rules 328 and 206, Conditions 9.B.2, 9.C.1(b), 9.C.13, 9.C.15, 9.C.21, 9.C.26(n), and 9.D.4 of Part 70/Permit to Operate 5704 and allows for operation of the Gaviota Oil Heating Facility in a standby and suspended status.

**A-9) Case No. – 2016-07-I – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On March 17, 2016 Hearing Board member David Schmarje approved an Interim Variance for the period of March 11, 2016 through June 8, 2016, or the date of decision on the Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rule 206, Conditions 9.B.2, 9.C.3, 9.C.26(h), and 9.C.26(i) of Part 70/Permit to Operate 9103 and allows for operation of Platform Harvest in a standby and suspended status.

**A-10) Case No. – 2016-09-I – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On March 17, 2016 Hearing Board member David Schmarje approved an Interim Variance for the period of March 11, 2016 through June 8, 2016, or the date of decision on the Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rule 206, Conditions 9.B.2, 9.C.3, 9.C.24(h), and 9.C.24(i) of Part 70/Permit to Operate 9104 and allows for operation of the Platform Hermosa in a standby and suspended status.

**A-11) Case No. – 2016-11-I – Freeport McMoRan Oil & Gas  
201 South Broadway, Orcutt, CA 93455**

On March 17, 2016 Hearing Board member David Schmarje approved an Interim Variance for the period of March 11, 2016 through June 8, 2016, or the date of decision on the Petitioner's request for a Regular Variance, whichever occurs first. Said variance provides relief from District Rule 206, Conditions 9.B.2, 9.C.3, 9.C.24(h), and 9.C.24(i) of Part 70/Permit to Operate 9105 and allows for operation of Platform Hidalgo in a standby and suspended status.

A motion was made by Hearing Board member Schmarje, seconded by Vice-Chair Ward that Administrative Agenda items A-1 through A-11 be received and filed. The motion carried by the following vote.

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

**ADJOURN**

The meeting was adjourned at 10:16 a.m.

**ANNOUNCEMENTS**

The next regularly scheduled meeting of the Santa Barbara County Air Pollution Control District Hearing Board is May 4, 2016, 9:30 a.m.