



H.B. Case No.:	<u>2016-23-R</u>
Petitioner:	<u>Exxon Mobil</u>
Permit No.:	<u>08092</u>
Date Rec'd:	<u>8-9-16</u>
Time Rec'd:	<u>11:43</u>
Filing Fee Paid:	<u>\$580-</u>

## PETITION FOR VARIANCE

<b>Type of Variance Requested:</b>			
Emergency	<u>          </u>	Interim <sup>1</sup>	<u>          </u>
		90-Day	<u>          </u>
		Regular	<u>  X  </u>
Length of Variance Requested:	Start Date	<u>9/30/16</u>	
	End Date	<u>9/29/17</u>	
<sup>1</sup> A 90-Day or Regular Variance must be filed concurrently with an Interim Variance			

### 1. PETITIONER INFORMATION

A. Please provide the name, address and phone number of the Petitioner.

Name: ExxonMobil Production Company  
 (a division of Exxon Mobil Corporation)

Address: P. O. Box 4358  
Houston, TX 77210-4358

Phone Number: (281) 654-6317

B. Please provide the name, address and phone number of the person authorized to receive correspondence regarding this Petition if different from response in 1.A.

Name: Kartik Garg

Address: 12000 Calle Real  
Goleta, CA 93117

Phone Number: (805) 961-4078

C. The Petitioner is (please check one):

- 1) An Individual ( )
- 2) Partnership ( )
- 3) Corporation (X)
- 4) Public Agency ( )
- 5) Other Entity (please describe)

2. Location of equipment for which the variance is requested if different from response in 1.A.

*The equipment is located at POPCO's gas processing plant and Platform Heritage. The plant is approximately 25 miles northwest of Santa Barbara, California. Platform Heritage is located offshore in the Santa Ynez Unit on lease tract P-0812 in the Santa Barbara Channel approximately 25 miles west of the city of Santa Barbara.*

3. List any District permits that are applicable to the equipment subject to this variance request.

*PTO and Part 70 Operating Permits 8092 and 9102-R5*

4. Briefly describe the equipment that is the subject of this Petition.

*POPCO's Las Flores Canyon Gas Treatment Plant is a natural gas sweetening process and sulfur recovery unit (SRU). The purpose of this process is to remove H<sub>2</sub>S and CO<sub>2</sub> from natural gas. The H<sub>2</sub>S is removed from natural gas and converted into elemental sulfur by the SRU. Any residual H<sub>2</sub>S contained in the SRU tail gas is incinerated and converted to SO<sub>2</sub> in one of the two 40 MMBTU/hr boilers, which are located downstream of the SRU. The POPCO Continuous Emission Monitoring system (CEMs) has been designed to provide continuous monitoring data to the SBCAPCD Central Data Acquisition System (CDAS) to facilitate enforcement of permit conditions. The program is described in detail in the SBCAPCD –approved POPCO CEMS monitoring plan which is incorporated by reference in the operating permit for the facility. The facility receives raw natural gas from three platforms including Platform Heritage.*

#### **FINDINGS REQUIRED FOR THE GRANTING OF A VARIANCE**

In order for the Hearing Board to grant a variance to a Petitioner authorizing the operation of a source in violation of any rule, regulation or order of the District, the Hearing Board is required to make “findings” in accordance with the requirements specified in California Health and Safety Code §42352, et. seq. and District rules and regulations. The Hearing Board’s variance decision will take into consideration information you provide in this Petition. Please ensure your responses are complete and thorough. Please use additional pages as necessary.

A. Please state 1) what District rule, regulation or order you either are or will be in violation of, and 2) the date said violation will or did occur. Include as appropriate the applicable permit conditions for which variance relief is being sought.

*The facility will be in violation of APCD Permit 8092 Conditions related to Rules 206, 311, 331, 328, 359, and 342 and APCD Permit 9102-R5 conditions related to Rules 206 and 331. See the attached table for a detailed description of the permit conditions that the facility cannot or are impractical to meet during the facility shut down.*

- B. Please describe how compliance with the District rule, regulation or order listed in Section A above is beyond your reasonable control. In addition to any other relevant factors, please include in your discussion 1) what actions you have taken to comply or seek a variance, which were timely and reasonable under the circumstances.

**Information in italics provides details submitted in the petition for Variance Order 2015-26-R. During the original petition timeframe, the extent of the facility impact was not clear. The failure has since caused an extended suspension of operations at ExxonMobil's Santa Ynez Unit. Facility equipment is being preserved to manage its integrity over the longer term due to the uncertainty around the recommencement timing of production operations. The facility may be preserved for an extended period while AAPL reestablishes pipeline operations.**

**As provided by California Health and Safety Code §42357, ExxonMobil is requesting a modification to the final compliance date of Variance Order 2015-26-R for good cause. Permit conditions listed herein are either infeasible or impractical until processing resumes. Startup is not within the control of the petitioner.**

*As a result of the failure of the Plains All American Pipeline's Line 901 on May 19, 2015 ExxonMobil experienced facility impacts. Due to these impacts, SYU onshore and offshore facilities are temporarily ceasing operations. On June 16, 2015 incoming platform gas to the POPCO facility terminated and on June 24, operations began depressurizing the facility. The boilers have not been in service since July 22, 2015. Preservation plans for the facility are still in progress. Line 901 remains shut down, and Plains continues to work with local and federal government agencies to understand the nature of the failure and repair options. At this time it is unclear when restart of the facility may occur.*

*ExxonMobil (acting on behalf of POPCO) is requesting a variance to allow the suspension of certain permit requirements specified in the attached table until the facility returns to normal operations. Upon resumption of platform gas processing, all conditions suspended under the terms of the variance will resume as described in the current Part 70/PTO 8092 and Part 70/Part PTO 9102-R5.*

- C. Please describe how you would be impacted if you were required to immediately comply with the District rule, regulation or order the subject of this variance request. In addition to any other relevant factors, please discuss why such impacts would result in 1) an arbitrary or unreasonable taking of property, or 2) the practical closing and elimination of a lawful business.

*POPCO has no means of immediately complying with certain rules and permit conditions cited in the attached table. Other conditions are impractical to comply with during this temporary shutdown period. The attached table provides further information of these conditions. This unanticipated shut down of the facility was not within our control.*

- D. If you were required to immediately comply with the District rule, regulation or order the subject of this variance request, please describe what impact, if any that would have on air contaminants.

*POPCO has no means of immediately complying with certain rules and permit conditions cited in the attached table. Other conditions are impractical to comply with during this temporary shutdown period. The attached table provides further information of these conditions. This unanticipated shut down of the facility was not within our control.*

- E. Please describe what consideration you have given to curtailing of operations in lieu of obtaining a variance.

*There will be no excess emissions associated with this variance.*

- G. If requested to do so by the District, please describe how you will monitor or otherwise quantify and report to the District any pollutant emissions associated with the granting of your variance.

*There will be no excess emissions associated with this variance.*

6. **SUPPLEMENTAL FINDINGS IF APPLYING FOR AN EMERGENCY VARIANCE PURSUANT TO RULE 506 (EMERGENCY VARIANCE FOR BREAKDOWNS)**

- A. Please provide the date and time the breakdown was reported to the District

Date: \_\_\_\_\_ Time: \_\_\_\_\_

- B. Breakdown number (as provided by the District):

- C. Please provide a description of the "breakdown condition", including equipment involved and the cause to the extent it is known.

- D. Please describe why the continued operation of your facility in a "breakdown condition" is not likely to cause an immediate threat or hazard to public health or safety and will not interfere with the attainment or maintenance of any primary national ambient air quality standard.

7. Will the operation of the equipment subject to this variance result in violation of District Rule 303, Nuisance? *The granting of this variance will not result in injury, detriment, nuisance, or annoyance to the public, and will not endanger the health or safety of the public or cause injury or damage to business or property.*

8. Please state whether or not any civil or criminal case involving the equipment subject to this variance is pending any court. *No case involving the equipment subject to this variance is pending in any court, civil or criminal, for which ExxonMobil is aware.*

The undersigned is authorized to submit the above Petition on behalf of the Petitioner and further states under penalty of perjury under the laws of the State of California, that the above Petition, including any attachments and the items therein set forth, are true and correct.

DATE: 8/9/16 SIGNATURE: 

TITLE: Operations Asset Manager

PRINT NAME: Kartik Garg

**Variance Filing Fees:** All variance Petitions must be accompanied by the requisite filing fee at the time of filing or include a letter from the Petitioner on company letterhead authorizing the District to debit the filing fee from the company's reimbursable account. You may also pay your filing fees by credit card using the attached form. Current variance filing fees may be found under Rule 210, schedule F, Sections 12a and 12b at <http://www.sbcapcd.org/fees.htm>.

## POPCO Permit (8092) Variance 2015-26-R

Area	Condition	Condition Language	Other information
Boiler	9.C.1(c)	The Utility Boilers in this section are subject to all the monitoring requirements listed in Table 4.10 and District Rule 342.E, G and I.	Table 4.10 specifies continuous monitoring of many points that are currently not in operation. Petitioner requests relief from monitoring lines with no flow, operation of process monitors for systems not processing, and operation of CEMs analyzers for boiler stacks while the boilers are temporarily out of service.
Boiler	9.C.1(c)(iv)	CEMS - POPCO shall monitor the emission and process parameters listed in Table 4.10 for the life of the project POPCO and shall maintain and operate continuous in stack monitoring equipment for the Utility Boilers for emissions of nitrogen oxides (as NO2) and sulfur oxides (as SO2) consistent with District Rule 328, the District-approved CEMS Plan for the POPCO facility and Table 4.1 0.	Table 4.10 specifies continuous monitoring of many points that are currently not in operation. Petitioner requests relief from monitoring lines with no flow, operation of process monitors for systems currently not processing, and operation of CEMs boiler analyzers while the boilers are currently not in operation.
Boiler	9.C.1(c)(v), HHV plan	HHV plan requires quarterly CGA of sales gas analyzer, calibrations schedules specified in Process Monitoring Plan.	Boilers are currently not in operation. Sales gas and in plant fuel are not being generated. Petitioner requests relief from all requirements related to monitoring of boiler fuel gas and sales gas. Further, relief is sought from performance of CGA and other calibrations of sales gas analyzer because these calibrations are unnecessary while the analyzer is offline.
SRU	9.C.7(a)	The emissions, after control, from the SRU shall not exceed the BACT limits listed below and in Table 4.5 (BACT. Sulfur Recovery Unit (SRU)). Compliance shall be based on the use of process monitors, analyzers and CEMS as detailed in Table 4.5 and Table 4.9	Table 4.5 notes certified and calibrated inlet flow and H2S meter, off gas H2S and flow meters and SO2 analyzer. Table 4.9 specifies continuous monitoring of many points that currently not in operation. Petitioner requests relief from monitoring lines with no flow, operation of process monitors for systems not processing, operation of CEMs analyzers for boiler stacks while the boilers are temporarily out of service, calibration of analyzers and monitors and telemetry of data to APCD during the temporary shutdown.

SRU	9.C.7(c)	POPCO shall monitor the emission and process parameters listed in Tables 4.9 through 4.12 for the life of the project.	These tables 4.9, 4.10 and 4.12 contain boiler, and sulfur related monitoring parameters. Petitioner requests relief from monitoring lines with no flow, operation of process monitors for systems not processing, operation of CEMs analyzers for boiler stacks while the boilers are temporarily out of service, calibration of analyzers and monitors and telemetry of data to APCD during the temporary shutdown.
SRU	9.C.7(c)(i)	<i>Process Monitors</i> - POPCO shall install and maintain in-plant process monitors as shown in Figure 4.1 and Table 4.9 for the life of the project.	This figure and table list boiler, inlet and off gas sulfur related monitors. Petitioner requests relief from monitoring lines with no flow, operation of process monitors for systems not processing, operation of CEMs analyzers for boilers while the boilers are temporarily out of service, calibration of analyzers and monitors as specified in the process monitoring plan.
CEM	9.C.12	The CEM monitors shall be in place and functional for the life of the project.	Petitioner requests relief from all CEMs monitoring plan requirements for all temporarily shutdown equipment.
CEM	9.C.12(a)	The monitoring devices shall meet the requirements set forth in District Rule 328 and 40 CFR 51 and 40 CFR 60. Monitors must be installed, maintained, and operated in accordance with District and EPA requirements, as specified in the CFR and the District approved CEM Plan and with manufacturer's specifications.	Petitioner requests relief from all CEMs monitoring plan requirements for all temporarily shutdown equipment.
CEM	9.C.12(f)	POPCO shall maintain and operate continuous in stack monitoring equipment for the mass emissions (lb./hr. basis) of nitrogen oxides (as NO2) and sulfur oxides (as SO2) from each Utility Boiler (B-80 1 A and B). POPCO shall compute and telemeter the sliding hourly average for nitrogen oxide emissions (lb./hr.) and sulfur oxide emissions (lb./hr.) individually from Utility Boiler B-80 1 A and B.	Petitioner requests relief from all CEMs monitoring plan requirements including telemetry for all temporarily shutdown equipment.
CEM	CEMS plan	8.4.4 2-pt calibration is required on pollutant monitors daily	Petitioner requests relief from all requirements of CEMs monitoring requirements for all temporarily shutdown equipment.
Data telemetry	9.C.13	POPCO shall telemeter monitoring data to the District as specified by Condition C.12	Petitioner requests relief from telemetering data for all temporarily shutdown equipment.
Process monitoring plan	9.C.20	All facility process monitoring devices listed in Section 4.11.2 of this permit shall be properly operated and maintained according to manufacturer recommended specifications. POPCO shall implement the District approved Process Monitor Calibration and Maintenance Plan for the life of the project.	Petitioner requests relief from specific maintenance schedules for process monitors for equipment currently not in service.

<p>Fuel Gas Sulfur Plan</p>	<p>9.C.21</p>	<p>Fuel Gas Sulfur and HHV Reporting Plan.</p>	<p>Boilers are currently not in operation. Sales gas and in plant fuel are not being generated. Petitioner requests relief from all requirements related to monitoring of boiler fuel gas and sales gas. Further relief is sought from performance of CGA and other calibrations of sales gas analyzer because these calibrations are unnecessary while the analyzer is offline.</p>
<p>Fugitive emissions monitoring</p>	<p>9.C.3(c)(i)</p>	<p>Requires enhanced fugitive emissions monitoring in order to generate emission credits.</p>	<p>Petitioner requests relief from this enhanced monitoring while equipment requiring ERCs is temporarily out of service.</p>
<p>Fugitive emissions monitoring</p>	<p>Heritage PTO 9102-R5 9.C.4(c)(i)</p>	<p>Requires enhanced fugitive emissions monitoring in order to generate emission credits.</p>	<p>Petitioner requests relief from this enhanced monitoring while equipment requiring ERCs is temporarily out of service.</p>