



H.B. Case No.:	<u>2016-24-R</u>
Petitioner:	<u>Exxon Mobil</u>
Permit No.:	<u>05651</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

Type of Variance Requested:			
Emergency	<u> </u>	Interim ¹	<u> </u>
		90-Day	<u> </u>
		Regular	<u> x </u>
Length of Variance Requested:	Start Date	<u>9/30/2016</u>	
	End Date	<u>9/29/2017</u>	
¹ 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: Mr. 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 ExxonMobil's Las Flores Canyon oil and gas processing plant. The plant is approximately 25 miles northwest of Santa Barbara, California.

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

PTO and Part 70 Operating Permit 5651

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

The onshore facilities receive the produced crude/water/gas emulsion from the offshore platforms via the 20-inch emulsion pipeline and produced gas from the platforms via the POPCO transportation system. The onshore facilities produce oil, propane, butane, and sulfur products for sale and fuel quality gas for process needs and power generation of process heat and electricity. The facilities are divided in the following areas: the Oil Treating Plant, Produced Water Treating System, Transportation Terminal, Stripping Gas Treating Plant and Cogeneration Power Plant. The LFC 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 LFC CEMS monitoring plan which is incorporated by reference in the operating permit for the facility.

5. 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 5651 conditions related to Rules 206, 311, 331, 325, 328, and 359. See the attached table for a detailed description of the District rules and associated 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 2015-28-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 2015-28-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 terminated. 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 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 5651.

- 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.

ExxonMobil 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.

ExxonMobil 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.

Curtailing operations would not result in compliance and would not remove the need for a variance.

- F. Please describe what steps and measures you will take to reduce excess pollutant emissions the maximum extent feasible during the requested variance period.

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.

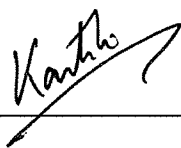
7. Will the operation of the equipment subject to this variance result in violation of District Rule 303, Nuisance?

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>.

LFC Permit (5651) Variance 2015-28-R

Area	Condition	Condition Language	Other information
CPP	9.C.1(c)	ExxonMobil shall monitor the emission and process parameters listed in Table 10.1 for the life of the project.	Table 10.1 specifies continuous monitoring of many points that are currently not in operation. Petitioner requests relief from monitoring lines with no flow, operation and calibration of process monitors for systems not processing, and operation of CEMs analyzers for systems that are temporarily out of service.
Tanks	9.C.6(c)(vii)	For the Group A Oil Storage tanks, no less than three (3) days per week, measure the Reid vapor pressure and storage temperature of the liquid according to District approved methods.	These tanks are currently static so this requirement involves sampling of the same oil every three days. The petitioner requests relief from this measurement requirement until facility resumes processing platform gas.
WGI/SRU	9.C.8(c)	ExxonMobil shall monitor the emission and process parameters listed in Table 10.2 for the life of the project.	Table 10.2 specifies monitoring of many points that are currently not in operation, require annual certification in accordance with 40 CFR 60 App B and CFR 50 App E, flow meter calibrations per CEMs plan and monitoring per CEMs plan. The petitioner requests relief from all monitoring, certification and calibration requirements for monitors serving equipment that is temporarily out of service.
CEMS	9.C.15	ExxonMobil shall implement a CEM program for emissions and process parameters as specified in Section 4.12 and Attachment 10.1 of this permit. ExxonMobil shall implement the District-approved CEM Plan. The CEM monitors shall be in place and functional for the life of the project.	The plan calls for many process sensors to monitor continuously systems that are currently not in operation. Petitioner requests relief from all CEMs plan requirements for all equipment that is temporarily out of service.
CEMS	CEMS plan	8.1.1 2-pt calibration is required on pollutant monitors daily	Petitioner requests relief from calibration requirements for CEMs monitors for all temporarily shutdown equipment.
CEMS	CEMS plan	8-2 CGAs every quarter except RATA quarter	Petitioner requests relief from calibration requirements for CEMs monitors for all temporarily shutdown equipment.
CEMS	CEMS plan	8-6 Process sensors (process monitors used to assess compliance) for flow, pressure and temperature will be calibrated at least quarterly unless otherwise specified in 5.0 or Table 8-1.	Petitioner requests relief from calibration requirements for process monitors and sensors for all temporarily shutdown equipment.
CEMS	CEMS plan	8-7 Process analyzers (H2S SGTTP fuel, Fuel Btu, tail gas H2S)	Petitioner requests relief from all maintenance and calibration requirements for CEMs process analyzers for all temporarily shutdown equipment.

<p>Process Monitoring</p>	<p>9.C.16</p>	<p>All LFC facility process monitoring devices listed in Section 4.12 of this permit shall be properly operated and maintained according to manufacturer recommended specifications. ExxonMobil shall implement the District approved Continuous Emissions Monitoring Plan for the life of the project. This Plan details the manufacturer recommended maintenance and calibration schedules.</p>	<p>Many process sensors are located on systems that are currently not in operation. Petitioner requests relief from process monitoring operation and calibration requirements for all temporarily shutdown equipment.</p>
<p>Data Telemetry</p>	<p>9.C.17</p>	<p>Monitoring data shall be telemetered to the District as specified in C.15.</p>	<p>Petitioner requests relief from telemetry of data for temporarily shutdown equipment.</p>
<p>Fugitive emissions monitoring</p>	<p>9.C.3(c)(i)-(iii)</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>