

ACTION SUMMARY
(Unofficial)

Hearing Board

October 5, 2016

9:30 A.M.

APCD Hearing Board Members:

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

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

I. 9:33 a.m. – Convened by Chair Ward – Roll Call

Present: 3 - Ward, Lagattuta, Saperstein.

Absent: 1 - Schmarje.

II. Administration of Oath to Participants

All participants were sworn in.

III. Approval of minutes of the September 7, 2016 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: 1 - Schmarje.

IV. Requests for continuance or addition of Ex-Agenda items.

None.

V. Announcements/Staff Reports

Kaitlin McNally, Compliance Division Manager, announced she would be representing the District in today's hearing. In addition, David Harris, Engineering Supervisor, and Joel Cordes, IT and Monitoring Supervisor, were available to answer questions. Ms. McNally also let the members know that a nominee for the open public member position on the Hearing Board will be going to the October 20, 2016 APCD Board meeting for approval.

Clerk of the APCD Board:

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VI. Public Comment Period

There were no public comments.

VII. Public Hearings

1) Case No. – 2016-27-R

Venoco, LLC.

6267 Carpinteria Avenue, Carpinteria, CA 93013

Hearing – To consider an application by Venoco, LLC. submitted on September 7, 2016 for a Modification of the Final Compliance Date of Regular Variance No. 2015-32-R. The Petitioner is requesting continued relief from District Rule 206, Condition 9.C.17 of Part 70/Permit to Operate 7904. In addition, the Petitioner is also seeking relief from Rule 206, Conditions 9.C.18 and 9.C.19. The Petitioner operates the equipment described in the Petition at the Ellwood Onshore Facility (EOF) located approximately 14 miles west of the City of Santa Barbara, California.

Prior to the hearing of this item, Hearing Board member Saperstein disclosed that, although he does not have direct interaction with Venoco, the legal firm he works for represents the City of Carpinteria, who has interactions with Venoco through permitting and land use. Neither the District nor Venoco foresaw any conflict of interest in this matter.

Keith Wenal appeared on behalf of the Petitioner; Kaitlin McNally, David Harris and Joel Cordes represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. During testimony, the District presented a modified Findings and Order including the following in ~~strikeout~~/underlined text:

- a) Page 1, first paragraph: The Regular Variance was heard on October 5, 2016 in accordance with Health and Safety Code §40808, with ~~John Garnett~~ Keith Wenal appearing for the Petitioner and ~~David Harris~~ Kaitlin McNally appearing for the Santa Barbara County Air Pollution Control District (District).
- b) Page 2, Finding No. 5, additional language of: In addition, as a result of the Plains All American Pipeline (AAPL) Line 901 failure on May 19, 2015, Venoco experienced facility impacts. The facility is not currently processing oil and gas and has completed the de-inventory process. Line 901 remains shutdown and Plains continues to work with local and federal agencies to reestablish pipeline operations. At this time, it is unclear when normal operations of the Petitioner's facility may occur.
- c) Page 3, in the variance period: That the Regular Variance be granted for... from October 22, 2016 through October 21, 2017, or the date compliance is achieved, or the date the facility resumes oil and gas processing, whichever occurs first.
- d) Page 3, a new Condition No. 1 was added: Petitioner shall explore installation of a temporary odor monitoring station, while progress is being made on the permanent solution. Upon approval from the site property owner, City of Goleta, and the District, Venoco shall proceed with installation and operation of the temporary monitoring station. This requirement does not nullify the requirement to install the permanent monitoring station.
- e) Pages 3-4: Conditions No. 1-5 renumbered as 2-6.
- f) Page 3, in Condition No. 2 (formerly No. 1), additional language added: The increments of progress report shall include: status of compliance and any corrective action taken to date, status of the temporary monitoring station.

Following testimony, the Hearing Board unanimously agreed that the six findings had been met for the additional requested conditions and that good cause was found to modify the final compliance date of Variance No. 2015-32-R. 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 modified by the District in the draft Findings and Order. Regular Variance number 2016-27-R was granted with conditions as specified in the Findings and Order for the period of October 22, 2016 through October 21, 2017, or the date compliance is achieved, or the date the facility resumes oil and gas processing, whichever occurs first, by the following vote:

Ayes: 3 - Ward, Lagattuta, Saperstein.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Schmarje.

VIII. 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. – 2016-28-E – ExxonMobil Production Company
12000 Calle Real, Goleta, CA 93117**

On September 15, 2016 Hearing Board member Donald Ward approved an Emergency Variance for the period of September 15, 2016 through October 14, 2016. Said variance provides relief from District Rules 359.D.1.a and 206, Condition 9.C.2(b)(iv) of Part 70/Permit to Operate 8092 and allows for operation of Petitioner’s Thermal Oxidizer (A-803) over the 239ppm H₂S flaring limit so that the vessels can be brought to a preserved state.

A motion was made by Hearing Board member Saperstein, seconded by Hearing Board member Lagattuta that Administrative Agenda item A-1 be received and filed. The motion carried by the following vote:

Ayes: 3 - Ward, Lagattuta, Saperstein.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Schmarje.

IX. ADJOURN

The meeting was adjourned at 10:49 a.m.

ANNOUNCEMENTS

The next regularly scheduled meeting of the Santa Barbara County Air Pollution Control District Hearing Board is November 2, 2016, 9:30 a.m.