

**Santa Barbara County
Air Pollution Control District**

H.B. Case No.:	2016-43-R
Petitioner:	Exxon Mobil
Permit No.:	5451
Date Rec'd:	12/12/16
Time Rec'd:	15:59
Filing Fee Paid:	\$580.00

PETITION FOR VARIANCE**Type of Variance Requested:**Emergency _____ Interim¹ _____ 90-Day _____ Regular

Length of Variance Requested: Start Date 1/4/17

End Date 1/3/18

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: Jing Wan
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 (LFC) 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 Permits 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 generation of process heat and electricity. The facilities are divided into the following areas: the Oil Treating Plant, Produced Water Treating System, Transportation Terminal, Stripping Gas Treating Plant (SGTP) and Cogeneration Power Plant (CPP).

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, 325, 328, 331, 342 and 359. See the attached table for a detailed description of the permit conditions that the facility cannot or are impractical to meet during the preservation period.

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.

As a result of the failure of the Plains All American Pipeline's (AAPL) Line 901 on May 19, 2015, ExxonMobil's SYU onshore and offshore facilities are temporarily suspending operations. Facility equipment is being preserved to manage its integrity over the longer term due to the uncertainty around the commencement timing of production operations. The facility may be preserved for an extended period while AAPL reestablishes pipeline operations.

Once preservation activities are complete, the operation of the thermal oxidizer will no longer be necessary until production operations recommence. Process vessels have been purged with N₂ and steamed as necessary to remove residual hydrocarbons and sulfur compounds. Equipment will be preserved with a N₂ blanket at pressures significantly below normal operating pressures. Tanks will be preserved. ExxonMobil is requesting a variance to allow the suspension of certain permit requirements related to the operation of the thermal oxidizer as specified in the attached table.

Oil Storage Tanks A & B (ABJ-3401A and ABJ-3401B) have been drained of oil via the main outlet valve. The tanks are currently being purged with nitrogen with 2.3 times the physical volume of the tanks following the APCD-approved Purgung/Degassing Plan. At that point we are proposing to remove the tanks from the vapor recovery system. The tanks will be connected to a nitrogen makeup system, which will maintain a positive pressure nitrogen blanket. Tank breathing occurring due to thermal expansion (caused by atmospheric temperature fluctuation) will be released through the pressure control system to the atmosphere. The tanks' pressure safety valves and pressure vacuum safety valves will remain in service during preservation. ExxonMobil is requesting a variance to allow the suspension of certain permit requirements related to the preservation of the Oil Storage Tanks as specified in the attached table. The tanks will remain in this preserved state until gas processing recommences. At that time, the tanks will be reconnected to the vapor recovery system and all conditions related to the operation of the crude oil storage tanks will resume as specified in the permit.

This petition also requests relief from a number of conditions that cannot be met during the current preservation period. These conditions are specified in the attached table and are related primarily to the measurement and/or recordkeeping of process parameters that do not exist during preservation. Under normal operations these conditions would be temporarily suspended without variance during regular maintenance periods when, similarly, process streams are not available. However, due to the extended nature of this event, a variance petition is being submitted to clarify the situation.

ExxonMobil is requesting a variance to allow the suspension of conditions as specified in the attached table until the facility returns to normal operations. Upon commencement 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 preservation period. The attached table provides further information of these conditions. This unanticipated state was not within ExxonMobil's 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 preservation period. The attached table provides further information of these conditions. This unanticipated state was not within ExxonMobil's 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.

Minor emissions related to the tank breathing will be within the permitted limit for the tank

- 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.

The majority of the gas emitted during tank breathing will be nitrogen. Emissions associated with the minor ROCs contained in the nitrogen blanket gas will be calculated by measuring the tank headspace ROC content using gas chromatography once and using the gas flowrate from the breathing event using SBCAPCD approved calculations for all PSV releases. Frequency of head space sampling will be once per month until it is established that the ROC is stable.

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?

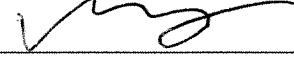
The granting of this variance will not result in injury, detriment, nuisance, or annoyance to the public, and will not endanger the health or safety of the public or cause injury or damage to business or property.

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: 12/12/16

SIGNATURE: 

TITLE: Operations Asset Manager

PRINT NAME: Jing Wan

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 Petition

Area	Condition	Condition Language	Other Information
CEMS	9.B.12	ExxonMobil shall comply with the requirements of Section C, F, G, H, and I of Rule 328. Compliance shall be based on the monitoring, recordkeeping, and reporting requirements of this permit as well as on-site inspections.	Petitioner requests relief from CEMs requirements for all temporarily out of service equipment. Petitioner has already received relief from operating monitoring equipment for systems that are temporarily preserved (HB Variance Order 2016-24-R). This condition is included to further clarify that relief.
CPP	9.C.1(b)(xi)	ExxonMobil shall implement an operations and maintenance program to ensure that the bypass damper is properly functioning at all times.	This bypass door is used to direct exhaust gases from the gas turbine generator to the main or bypass stack. During the preserved state, the petitioner is requesting that operations and maintenance programs be suspended as they are not necessary when no exhaust exists.
CPP	9.C.1(c)(ii)	Continuously monitor the fuel gas using H2S and HHV analyzers.	The condition specifies measuring of a process parameter that is temporarily not in operation. Petitioner has already received relief from operating monitoring equipment for systems that are temporarily preserved (HB Variance Order 2016-24-R). This condition is included to further clarify that relief.
CPP	9.C.1(c)(i)	Perform quarterly total sulfur content measurements of the fuel gas using ASTM or other District-approved methods. ExxonMobil shall utilize District-approved sampling and analysis procedures.	The condition specifies measuring of a process parameter that is temporarily not in operation. Petitioner requests relief from monitoring lines that are temporarily preserved.
CPP	9.C.1(d)	ExxonMobil shall record the emission and process parameters listed in Table 10.1. Further, except where noted, ExxonMobil shall maintain hardcopy records of the following: (i) For each operating mode, the daily, quarterly, and annual heat input in units of million Btu for the gas and HRSG. In addition, the five highest hourly heat input rates per month in units of MMBtu/hr. (ii) CPP Planned Bypass Mode - Daily, quarterly and annual records identifying the time and duration the CPP is in the <i>Planned Bypass Mode</i> . (iii) On a continuous basis, the rate of steam injection to the gas turbine, the rate of ammonia injection to the SCR, and the temperature of flue gas entering the SCR.	Petitioner requests relief from recordkeeping requirements on equipment that is temporarily preserved.
ThOx	9.C.2(c)(iii)	ExxonMobil shall continuously monitor the purge/pilot fuel gas using H2S and HHV analyzers. ExxonMobil shall also perform quarterly total sulfur content measurements of the fuel gas using ASTM or other District-approved methods.	H2S analyzer measures H2S concentration of produced fuel gas which is not generated during the preservation period. Petitioner has already received relief from operating monitoring HHV of thermal oxidizer fuel (HB Variance Order 2016-30-R). The petitioner requests relief from monitoring and sampling lines that are preserved.
ThOx	9.C.2(c)(iv)	On an annual basis, ExxonMobil shall also measure the non-hydrogen sulfide reduced sulfur compounds and these values shall be added to the hydrogen sulfide measurements to obtain the total sulfur content.	Petitioner requests relief from specific measurements for produced gas and acid gas for equipment planned to be temporarily preserved.
ThOx	9.C.2(c)(iv)	On a monthly basis, ExxonMobil shall sample the low pressure and acid gas flare headers to determine the hydrogen sulfide content using sorbent tubes.	Petitioner requests relief from specific measurements for low pressure gas and acid gas for equipment planned to be temporarily preserved.

IFC Permit (5651) Variance Petition

Area	Condition	Condition Language	Other information
ThOx	9.C.2(c)(v)	ExxonMobil shall continuously monitor each pilot to ensure that a flame is present at each pilot at all times. ExxonMobil shall record the emission and process parameters listed in Table 10.3.	Petitioner requests relief from specific monitoring for pilots that are planned to be temporarily preserved.
ThOx	9.C.2(d) & 9.C.2(d)(i)-(iii)	The recordkeeping requirements in sections 9.C.2(d)(i)-9.C.2(d)(iii) specify additional requirements related to Flare Event Logs, Pilot/Purge Gas Volume, and Ammonia Tank Operations Logs.	Petitioner requests relief from recordkeeping requirements on equipment that is temporarily preserved.
Fugitives	9.C.3(b)(i)	The vapor recovery and gas collection (VR & GC) systems at LFC shall be in operation when equipment connected to these systems are in use.	Petitioner requests relief from this condition for equipment connected to these systems which will not meet Rule 331 applicability thresholds during the preservation period.
Compressor Vents	9.C.5(b)(iv)	The vapor recovery system connected to the compressor seal/distance piece system shall be in operation when the SOV and VR compressors are in use. The VRS system includes piping, valves, and flanges associated with each VRS system. The VRS system shall be maintained and operated to minimize the release of emissions from all systems, including pressure relief valves.	The VR and SOV compressors have been purged with nitrogen and are isolated from the system. The equipment connected to the VRS specified in this section will be preserved during this temporary shutdown period, therefore petitioner requests relief from this requirement.
Compressor Vents	9.C.5(b)(v)	The carbon canister units connected to the compressor seal/distance piece system shall be in operation when the SOV and VR compressors are in use. Each carbon canister shall be maintained and operated to minimize the release of emissions of organic compounds and sulfur compounds.	The carbon canisters are small, portable drums. The petitioner is requesting relief from maintaining the canisters during the preservation period while the compressors are not operated.
Compressor Vents	9.C.5(c)	For the carbon canister control units on each distance piece compressor vent, monitor, on a monthly basis the ROC control efficiency across each canister (inlet/outlet) according to District-approved methods.	The petitioner is requesting relief from this monitoring condition while the compressors are not in operation.
Tanks/ Sumps/ Separators	9.C.6 (b)	All process operations from the Group D equipment listed in this section shall meet the requirements of District Rule 326, Sections D, I, J and K.	The only tanks in this category are the demulsifier tanks. The petitioner requests relief from this condition for the preservation period during which the tanks will be empty.
Tanks/ Sumps/ Separators	9.C.6(c)(vi) 9.C.6(d)(vi)	On a daily, quarterly and annual basis, monitor and the throughput for each of the Group A units (Oil Storage Tank A&B; Rerun Tank A&B) using District-approved meters. For Group D units (Demulsifier tank) monitor the throughput on a daily, quarterly, and annual basis using a District-approved level gauge or other District-approved alternative method.	The tanks will not have any throughput during this temporary preservation period. The petitioner requests relief from this measurement and recordkeeping requirement until facility resumes processing platform gas.
Tanks/ Sumps/ Separators	9.C.6(c)(vii) 9.C.6(d)(vii)	For the Group A Oil Storage tanks, measure the vapor pressure and storage temperature of the liquid according to the methods prescribed in Rule 325.G.2, at least once per year. Log all vapor pressure and temperature readings.	Petitioner has received relief from 3 times weekly sampling of crude (HB Order 2016-24-R). Petitioner requests relief from annual testing during preservation period and recordkeeping of all sampling due to facility status.

LFC Permit (5651) Variance Petition

Area	Condition	Condition Language	Other Information
Tanks/ Sumps/ Separators	9.C.6(c)(viii) 9.C.6(d)(viii)	Through use of the DCS system, ExxonMobil shall monitor the ratio at which the NGLs are injected into the treated crude oil prior to storage in the Oil Tanks as well as the amount of NGL injected for each day.	Petitioner requests relief from specific monitoring and recordkeeping requirements for equipment which will be temporarily preserved.
Tanks/ Sumps/ Separators	9.C.6(b)(i)	The vapor recovery and gas collection (VR & GC) systems at LFC shall be in operation when equipment connected to these systems are in use.	The Crude Oil Storage Tanks connected to the VR & GC will be temporarily preserved. Therefore, petitioner requests relief from this requirement.
Tanks/ Sumps/ Separators	9.C.6 (b)	All process operations from the Group A and Group B equipment listed in this section shall meet the requirements of District Rule 325, Sections D, E, F and G.	Due to Crude Oil Storage Tank preservation, Petitioner requests relief from Rule 325 Sections D, E and F for Crude Oil Storage Tanks A and B.
WG/SRU	9.C.8(a)(i)	Compliance for the SOx shall also be based on the District-approved Sulfur Removal Efficiency Plan	Petitioner requests relief from plan conditions such as sampling, measuring and calibrating for equipment and process parameters that are temporarily preserved.
WG/SRU	9.C.8(c)(i)	Continuously monitor the fuel gas using H2S and HHV analyzers.	This condition specifies measuring of a process parameter that is temporarily not in operation. Petitioner requests relief from monitoring lines that will be temporarily preserved.
WG/SRU	9.C.8(c)(ii)	Perform quarterly total sulfur content measurements of the fuel gas using ASTM or other District-approved methods. ExxonMobil shall utilize District-approved sampling and analysis procedures.	This condition specifies measuring of a process parameter that is temporarily not in operation. Petitioner requests relief from monitoring lines that are temporarily preserved.
WG/SRU	9.C.8(c)(iii)	ExxonMobil shall implement the District-approved Sulfur Removal Efficiency Plan.	The plan calls for daily samples of acid gas streams which can't be taken, the plan refers to the CEMs plan for calibration frequency. The petitioner requests relief from monitoring and calibration of equipment which is temporarily preserved.
WG/SRU	9.C.8(d)- 9.C.8(d)(v)	ExxonMobil shall record the emission and process parameters listed in Table 10.2. In addition, ExxonMobil shall maintain hardcopy records of the following: daily, quarterly, and annual heat input; daily, quarterly and annually Inlet Tail Gas Flow Rate; daily, quarterly, annual inlet flow rate from Merox Vent; startup, shutdown and maintenance logs; and sulfur removal efficiency.	Petitioner requests relief from recordkeeping requirements on equipment that is temporarily preserved.
CVR	9.C.10 (a), (b), (d), (e), (h), (j), (k), m(iii), m(iv), m(vi), m(xi), m(xii)	Conditions provide details of CVR report related to Cogeneration Power Plant, Thermal Oxidizer, Pigging, Sulfur Recovery Unit/Waste Gas Incinerator, Facility Throughput Data (wet/dry oil, gas, NGLs, sulfur), Backup Gas Sweetening Unit, CEMs Report, Fuel gas quality.	Petitioner requests relief from reporting requirements on equipment that is temporarily preserved. Petitioner requests that CVR reporting for equipment temporarily not in service be limited to notification of the operating status of the unit.

LFC Permit (5651) Variance Petition

Area	Condition	Condition Language	Other information
Sampling	9.C.13 (a), (b)	ExxonMobil shall sample and analyze the process streams listed in this Section 9.0 according to the specified methods and frequency detailed therein.	Petitioner requests relief from produced oil and gas sampling during the preservation period because these process streams are not being produced.
Sampling	9.C.13 (c)	Fuel Gas: For SGTP provided gas, samples will be taken at the Fuel Gas Scrubber (MBF-2102) and analyzed for HHV, total sulfur, H ₂ S, and composition on a quarterly basis. Additionally, SGTP provided gas will be continuously monitored for HHV and H ₂ S	Petitioner requests relief from gas sampling during the preservation period because these process streams are not being produced.
Sampling	9.C.13(c)(i)	Utility supplied gas shall be sampled for HHV, H ₂ S, total sulfur and composition on a quarterly basis. For the purposes of compliance with this permit, ExxonMobil may utilize the results of samples taken by POPCO. During periods when the POPCO facility is off-line and the LFC facility is on-line and purchasing utility supplied gas, ExxonMobil shall sample the utility supplied gas adjacent to FCY-40616, or other District-approved location, if POPCO remains off-line for more than 14 days.	Petitioner requests relief from gas sampling during the preservation period because these process streams are not being produced. Petitioner requests relief from utility gas sampling when not used during preservation.
Sampling	9.C.13(c)(ii)	On a continuous basis, the fuel gas produced by the SGTP and used in the CPP and WGI shall be sampled for the higher heating value and the hydrogen sulfide content. These records may be maintained in an electronic format. On a quarterly basis, sample the fuel gas used in the CPP and WGI for the total sulfur content.	Petitioner requests relief from continuously monitoring a process stream that does not exist during the preservation period (SGTP produced gas).
Offsets and Consistency with the AQAP.	9.C.14	<p>ExxonMobil shall comply with all the procedures and requirements specified in Section 7 of this document including all requirements for offsets, source testing and reporting. ExxonMobil shall provide the following offsets:</p> <p>(a) ExxonMobil shall offset the net emission increase (NEI) resulting from operation of the Las Flores Canyon facility as detailed in Chapter 7 and Tables 7.1, 7.2, 7.3 and 7.4.</p> <p>(b) In order to mitigate potential ozone impacts from the Santa Ynez Unit Expansion Project and for consistency with reasonable further progress for attainment of the federal ozone standard and FDP Condition XII-3.b, ExxonMobil shall mitigate all operation phase emissions, which are shown in Table 7.5, and as specified in Section 7.0 of this permit.</p> <p>(c) Notwithstanding any force majeure, termination, or transfer provision contained in the agreements referenced above, ExxonMobil will offset all SYU project emissions at the ratios specified in Chapter 7. If offsets are not in place as required by this permit, ExxonMobil shall provide replacement offsets and shall obtain variance relief.</p>	<p>Offsets are provided for LFC sources from enhanced inspection of fugitive emission sources. This enhanced inspection program is not required while the fugitive components are not in ROC service. Notwithstanding LFC's inability to perform enhanced inspection, the emission reduction requirements of this condition are satisfied. Emissions reductions exceed the emissions liability from the facility during this variance period. LFC emissions subject to the offsetting provisions are fully mitigated.</p>
Continuous Emissions Monitoring	C.15(a)	On quarterly basis, ExxonMobil shall submit data for CEM downtime and CEM detected excess emissions in a format approved by the District. This report shall be submitted each quarter in accordance with the requirements of Rule 328.	The petitioner has already obtained relief from all CEMs plan requirements for preserved equipment. Petitioner is requesting relief from this quarterly reporting requirement for preserved equipment. Status of equipment (i.e., preserved) will be reported in CYR on a semiannual basis.

LFC Permit (5651) Variance Petition

Area	Condition	Condition Language	Other information
Emission Reduction Credit	C.21	Emissions Reduction Credits Dedicated to Specific Projects-ATC 9651. The ERCS created under A TC and PTO 9651 are for use as offsets by ExxonMobil at Platforms Heritage and Harmony to satisfy the offsets requirements for emissions created by the compressor skid emission units permitted under PTO 9634 (Heritage) and PTO 9640 (Harmony) only. ExxonMobil shall meet the requirements of those permits in applying these ERCS. Emission reduction measures implemented to create the required emission reduction credits, monthly monitoring of the valves specified in ATC 5651-17/PTO 5651 (1127/99), shall be in place and maintained for the life of each project.	Petitioner has already clarified that this monitoring can not occur during the preservation period (Hearing Board Order 2016-24-R). This condition is included to clarify the situation.
Facility Throughput Limits	C.25 (a)	On a daily basis, ExxonMobil shall record in a log the volume of dry oil processed, the volume of platform gas processed and the volume of sour stripping gas processed. In addition, ExxonMobil shall log the volume of oil exported from the transportation terminal each day, summarized on a calendar quarter basis.	Petitioner requests relief from recordkeeping requirements on equipment that is temporarily not in service.
Documents Incorporated by Reference	C.36 (c), (l), (o)	The documents listed below, including any District approved updates thereof, are incorporated herein and shall have the full force and effect of a permit condition for this operating permit.	The petitioner is requesting relief from elements of the CEM (CGA) Plan, Carbon Canister Monitoring and Maintenance Plan, and Sulfur Removal Efficiency Plan as identified in other sections of this petition as well as from elements of these three plans already identified in Hearing Board Order 2016-24-R.
Visible Emissions	C.43 (b)	Waste Gas Incinerator: No visible emissions shall occur from the Waste Gas Incinerator. Once per calendar quarter, ExxonMobil shall perform a visible emissions inspection for a one-minute period from the Waste Gas Incinerator.	The petitioner requests relief from this monitoring requirement which can not be met during the preservation period.

IFC Permit (5651) Variance Petition - January 2017

APCD Rule	Title	Applicability	Section Heading	Section	Rule Language	Reason for Petition
325	Crude Oil Production and Separation	Oil Storage Tanks ABI-3401 A&B	D. Requirements for Storage Tanks	No person shall place, hold or store any crude oil in any tank battery unless all storage tanks in the tank battery, including waste tanks, produced water tanks and wastewater separators, are equipped with a leak-free, properly installed, maintained, and operated vapor recovery system.	D.1.b.	Petitioner is requesting relief from maintaining vapor recovery on the storage tanks. The tanks have been drained of oil and nitrogen flushed with 2.3 times the physical volume of the tank. A nitrogen positive pressure blank will be maintained on the tank. The tank will vent during breathing related to atmospheric temperature induced thermal expansion. Minimal emissions from this breathing are anticipated.
325	Crude Oil Production and Separation	Equipment connected to the thermal oxidizer	E. Requirements for Produced Gas	The emissions of produced gas shall be controlled at all times using a properly maintained and operated system that directs all produced gas, except gas used in a tank battery vapor recovery system to one of the following: A flare that combusted reactive organic compounds,	E.1.b	Petitioner is requesting relief from maintaining vapor recovery on the storage tanks. The tanks have been drained of oil and nitrogen flushed with 2.3 times the physical volume of the tank. A nitrogen positive pressure blank will be maintained on the tank. The tank will vent during breathing related to atmospheric temperature induced thermal expansion. Minimal emissions from this breathing are anticipated.
325	Crude Oil Production and Separation	Oil Storage Tanks ABI-3401 A&B	F. Requirements - Recordkeeping	The operator shall maintain the following records annually: The crude oil storage tanks have been drained through the main outlet line on the tanks. It is not feasible to retrieve a sample from the tank during the preservation period. Petitioner is requesting relief from sampling and analyzing the maximum vapor pressure of the crude oil storage tanks annually.	F.4.b	The tanks have been drained through the main outlet line on the tanks. It is not feasible to retrieve a sample from the tank during the preservation period. Petitioner is requesting relief from sampling and analyzing the maximum vapor pressure of the crude oil storage tanks annually.
328	Continuous Emission Monitoring	All continuous monitoring equipment for preserved equipment	F. Records Maintenance	Owners or operators subject to this Rule shall maintain, for a period of at least two years, Records produced from monitoring equipment	F.2	The Petitioner is requesting relief from recordkeeping for CEMS equipment that serves preserved equipment. Relief from operating the CEMS equipment has already been obtained.
328	Continuous Emission Monitoring	All continuous monitoring equipment for preserved equipment	G. Reporting Requirements	Owners or operators subject to this Rule shall submit a quarterly written report during the first week of each calendar quarter.	G.3	The Petitioner is requesting relief from the monitoring and recordkeeping requirements of this rule related to offsets that are not necessary during preservation. This monitoring and recordkeeping is specified in the APCD approved "Fugitive Emissions Inspection and Maintenance Plan" as required by this rule. Offsets are provided from IFC from enhanced inspection of fugitive emission sources. This enhanced inspection program is not required while the fugitive components are not in ROC Service. Notwithstanding IFC's inability to perform enhanced inspection, the emission reduction requirements of this condition are satisfied. Emissions reductions exceed the emissions liability from the facility during this variance period. IFC emissions subject to the offsetting provisions are fully mitigated.
331	Fugitive Emissions Inspection and Maintenance	Components with enhanced fugitive inspection programs used for emission reduction credits	F. Requirements	Rule requires inspections on regular intervals based on component type as specified in the approved "Fugitive Emissions Inspection and Maintenance Plan"	F	The Petitioner is requesting relief from the monitoring and recordkeeping requirements of this rule related to offsets that are not necessary during preservation. This monitoring and recordkeeping is specified in the APCD approved "Fugitive Emissions Inspection and Maintenance Plan" as required by this rule. Offsets are provided from IFC from enhanced inspection of fugitive emission sources. This enhanced inspection program is not required while the fugitive components are not in ROC Service. Notwithstanding IFC's inability to perform enhanced inspection, the emission reduction requirements of this condition are satisfied. Emissions reductions exceed the emissions liability from the facility during this variance period. IFC emissions subject to the offsetting provisions are fully mitigated.
342	Control of Oxides of Nitrogen (NOx) from Boilers, Steam Generators, and Process Heaters	Heat Recovery Steam Generator	I. Recordkeeping	The owners or operators of units subject to Section D of this rule shall monitor and record for each unit the Higher Heating Value and cumulative annual usage of each fuel.	I.1	The condition specifies measuring of a process parameter that is temporarily not in operation. Petitioner requests relief from monitoring lines that will temporarily not be in service.
359	Flares and Thermal Oxidizers	Thermal Oxidizer	F.2 Source Testing	Any owner or operator of a source subject to this Rule shall perform the following: Measure (a) the purge gas fuel sulfur content, if such is not a PUC quality gas or an inert gas, and (b) the gaseous fuel sulfur content and the net heating value for all gaseous fuel which constitute planned flaring. Measurement shall be performed triennially, except for sources which require federal Part 70 operating permits, in which case annual or more frequent testing shall be performed as required by applicable Part 6d Rules.	F.2	Any owner or operator of a source subject to this Rule shall perform the following, as applicable: Monitor the volume (in scf/month) of all gaseous fuel flared as part of planned/unplanned flaring. If subject to Section D.3, A record of monitored volumes shall be kept by the owner or operator in a format prescribed and approved by the Control Officer, and shall be available for inspection upon request by the District.
359	Flares and Thermal Oxidizers	Thermal Oxidizer	G.1 Monitoring and Recordkeeping	Petitioner requests relief from monitoring lines that will temporarily not be in service. Petitioner requests relief from providing records for systems temporarily not in service.	G.1	Petitioner requests relief from monitoring lines that will temporarily not be in service. Petitioner requests relief from providing records for systems temporarily not in service.

LFC Permit (5651) Variance Petition - January 2017

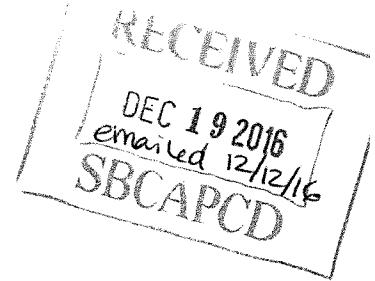
APCD Rule	Title	Applicability	Section Heading	Section	Rule Language	Reason for Petition
359	Flores and Thermal Oxidizers	Thermal Oxidizer	H.2.3 Reporting	H.2.3	<p>Any owner or operator of a source subject to this Rule shall provide the following reports, as applicable:</p> <p>2. The result of each test report for (a) purge gas's content (if applicable), (b) gaseous fuel's content and (c) gaseous fuel net heating value, obtained pursuant to section 1.2, shall be submitted to the Control Officer by March 1st of the year following the calendar year on which the testing occurred.</p> <p>3. Data for the monthly volumes (in scf/month) of gas flared per (i) planned continuous and (ii) planned intermittent flaring categories, obtained pursuant to Section G.1, shall be submitted annually to the Control Officer. Each calendar year data report shall be submitted by March 1st of the following calendar year.</p>	<p>Petitioner requests relief from reporting requirements on equipment that is temporarily not in service. Petitioner requests that reporting for equipment temporarily not in service be limited to notification of the operating status of the unit.</p>

ExxonMobil Production Company
U.S. Production - Santa Ynez Unit
P.O. Box 1207
Goleta, California 93116-1207



December 12, 2016

Petition for Regular Variance
Permits 5651



Ms. Sara Hunt
Santa Barbara County
Air Pollution Control District
260 N. San Antonio Road, Suite A
Santa Barbara, California 93110-1315

Dear Ms. Hunt:

Attached please find the referenced Regular Variance Petition for ExxonMobil's Las Flores Canyon facility. This petition is related to permit conditions which cannot be met during the preservation period. We understand that the variances, if granted, will provide protection from violations of these conditions.

Please instruct the SBCAPCD to charge the applicable filing fees to ExxonMobil's reimbursable agreement with the District. If you have any questions or need further information, please contact Patrice Surmeier at (805) 961-4297 or at patrice.a.surmeier@exxonmobil.com.

Sincerely,

A handwritten signature in black ink.

Jing Wan
Asset Manager

Santa Ynez Unit Project
ExxonMobil Production Company
(a division of Exxon Mobil Corporation)

Attachment
JW:pas

cc: Mike McKay, SBCAPCD