

ACTION SUMMARY
(Unofficial)

Hearing Board

December 7, 2016

9:30 A.M.

APCD Hearing Board Members:

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

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

I. 9:35 a.m. – Convened by Chair Ward – Roll Call

Present: 3 - Ward, Saperstein, Cox.

Absent: 2 - Lagattuta, Schmarje.

II. Administration of Oath to Participants

The following participants were sworn in:

Mike McKay, APCD
Kaitlin McNally, APCD
John Garnet, Venoco, LLC
Glenn Oliver, Freeport McMoRan

III. Approval of minutes of the November 2, 2016 meeting

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

Ayes: 3 - Ward, Saperstein, Cox.

Noes: 0 - None.

Abstain: 0 - None.

Absent: 2 - Lagattuta, Schmarje.

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

None.

V. Announcements/Staff Reports

None.

VI. Public Comment Period

There were no public comments.

Clerk of the APCD Board:

Aeron Arlin Genet

VII. Public Hearings

1) Case No. – 2016-37-R

Venoco, LLC
6267 Carpinteria Avenue, Carpinteria, CA 93013

Hearing – To consider an application by Venoco, LLC submitted on November 10, 2016 for a Regular Variance from District Rules 333.I and 206, Condition 9.C.20 of Part 70/Permit to Operate 8234. The Petitioner operates the equipment described in the Petition at Platform Holly, located offshore State Tidelands; Parcel 3242-1, South Ellwood Offshore Field.

John Garnet appeared on behalf of the Petitioner; Mike McKay and Kaitlin McNally represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. Public comment received. Following testimony, 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 Cox 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 2016-37-R was granted with conditions as specified in the Findings and Order for the period of December 7, 2016 through December 6, 2017, or 90-days after the date the facility resumes oil and gas processing, whichever occurs first, by the following vote:

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

2) Case No. – 2016-38-R

Venoco, LLC
6267 Carpinteria Avenue, Carpinteria, CA 93013

Hearing – To consider an application by Venoco, LLC submitted on November 10, 2016 for a Regular Variance from District Rule 206, Conditions 9.C.1(c)(v), 9.C.1(c)(vi), and 9.C.1(c)(viii) of Part 70/Permit to Operate 7904. 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.

John Garnet appeared on behalf of the Petitioner; Mike McKay and Kaitlin McNally represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. Following testimony, the Hearing Board unanimously agreed that the six findings had been met. A motion was made by Hearing Board member Cox, 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 2016-38-R was granted with conditions as specified in the Findings and Order for the period of December 7, 2016 through December 6, 2017, or the date the facility resumes processing oil and gas, whichever occurs first, by the following vote:

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

3) **Case No. – 2016-39-R**

Venoco, LLC
6267 Carpinteria Avenue, Carpinteria, CA 93013

Hearing – To consider an application by Venoco, LLC submitted on November 10, 2016 for a Regular Variance from District Rule 206, Conditions 9.C.1(c)(i) and 9.C.2(c)(i) of Part 70/Permit to Operate 7904. 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.

John Garnet appeared on behalf of the Petitioner; Mike McKay and Kaitlin McNally represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. Public comment received. Following testimony, 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 Cox 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 2016-39-R was granted with conditions as specified in the Findings and Order for the period of December 7, 2016 through December 6, 2017, or 90-days after the date the facility resumes oil and gas processing, whichever occurs first, by the following vote:

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

4) **Case No. – 2015-35-M1**

Freeport McMoRan
201 South Broadway, Orcutt, CA 93455

Hearing – To consider an application by Freeport McMoRan Oil & Gas submitted on November 07, 2016 for a Modification of Variance and Modification of Final Compliance Date for Regular Variances 2015-35-R and 2016-12-R. The Petitioner is requesting continued relief from District Rules 359 and 206, Conditions 9.B.2, 9.C.2(c)(iii), 9.C.3, 9.C.24(h), and 9.C.24(i) of Part 70/Permit to Operate 9105. The Petitioner operates the equipment described in the Petition at Platform Hidalgo, located on offshore lease tract OCS-P-0450, approximately seven miles offshore of Point Arguello, California.

Glenn Oliver appeared on behalf of the Petitioner; Mike McKay and Kaitlin McNally represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. Following testimony, the Hearing Board unanimously agreed that good cause was found to modify the final compliance date of Variances 2015-35-R and 2016-12-R, and incorporate the conditions into a single document. A motion was made by Hearing Board member Cox, 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 2015-35-M1 was granted with conditions as specified in the Findings and Order for the period of December 2, 2016 through December 1, 2017, or the date the facility resumes oil and gas production, whichever occurs first, by the following vote:

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

5) Case No. – 2015-36-M1

**Freeport McMoRan
201 South Broadway, Orcutt, CA 93455**

Hearing – To consider an application by Freeport McMoRan Oil & Gas submitted on November 07, 2016 for a Modification of Variance and Modification of Final Compliance Date for Regular Variances 2015-36-R and 2016-08-R. The Petitioner is requesting continued relief from District Rules 328, 359, and 206, Conditions 9.B.2, 9.C.2, 9.C.3, 9.C.12, 9.C.26(h), and 9.C.26(i) of Part 70/Permit to Operate 9103. The Petitioner operates the equipment described in the Petition on Platform Harvest located on the Outer Continental Shelf (OCS) lease tract OCS-P-0315 approximately 10 miles offshore Pt. Arguello, California.

Glenn Oliver appeared on behalf of the Petitioner; Mike McKay and Kaitlin McNally represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. Following testimony, the Hearing Board unanimously agreed that good cause was found to modify the final compliance date of Variances 2015-36-R and 2016-08-R, and incorporate the conditions into a single document. A motion was made by Hearing Board member Saperstein, seconded by Hearing Board member Cox 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 2015-36-M1 was granted with conditions as specified in the Findings and Order for the period of December 2, 2016 through December 1, 2017, or the date the facility resumes oil and gas production, whichever occurs first, by the following vote:

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

6) Case No. – 2015-37-M1

**Freeport McMoRan
201 South Broadway, Orcutt, CA 93455**

Hearing – To consider an application by Freeport McMoRan Oil & Gas submitted on November 07, 2016 for a Modification of Variance and Modification of Final Compliance Date for Regular Variances 2015-37-R and 2016-06-R. The Petitioner is requesting continued relief from District Rules 328 and 206, Conditions 9.B.2, 9.C.1, 9.C.13, 9.C.15, 9.C.21, 9.C.26(n), and 9.D.4 of Part 70/Permit to Operate 5704. The Petitioner operates the equipment described in the Petition at the Gaviota Oil & Heating Facility (GOHF), located at 17100 Calle Mariposa Reina, Gaviota, CA.

Glenn Oliver appeared on behalf of the Petitioner; Mike McKay and Kaitlin McNally represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. Following testimony, the Hearing Board unanimously agreed that good cause was found to modify the final compliance date of Variances 2015-37-R and 2016-06-R, and incorporate the conditions into a single document. A motion was made by Hearing Board member Cox, 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 2015-37-M1 was granted with conditions as specified in the Findings and Order for the period of December 2, 2016 through December 1, 2017, or the date the facility resumes oil and gas production, whichever occurs first, by the following vote:

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

7) Case No. – 2015-38-M1

**Freeport McMoRan
201 South Broadway, Orcutt, CA 93455**

Hearing – To consider an application by Freeport McMoRan Oil & Gas submitted on November 07, 2016 for a Modification of Variance and Modification of Final Compliance Date for Regular Variances 2015-38-R and 2016-10-R. The Petitioner is requesting continued relief from District Rules 359 and 206, Conditions 9.B.2, 9.C.2(c)(iii), 9.C.3, 9.C.24(h), and 9.C.24(i) of Part 70/Permit to Operate 9104. The Petitioner operates the equipment described in the Petition on Platform Hermosa located on the Outer Continental Shelf (OCS) lease tract OCS-P-0316 approximately 10 miles offshore Pt. Arguello, California.

Glenn Oliver appeared on behalf of the Petitioner; Mike McKay and Kaitlin McNally represented the District; Jerry Czuleger acted as Counsel for the Hearing Board.

Hearing held. Following testimony, the Hearing Board unanimously agreed that good cause was found to modify the final compliance date of Variances 2015-38-R and 2016-10-R, and incorporate the conditions into a single document. A motion was made by Hearing Board member Saperstein, seconded by Hearing Board member Cox 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 2015-38-M1 was granted with conditions as specified in the Findings and Order for the period of December 2, 2016 through December 1, 2017, or the date the facility resumes oil and gas production, whichever occurs first, by the following vote:

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

Item A-1 was pulled briefly for discussion and public comment.

**A-1) Case No. – 2016-36-E – Venoco
6267 Carpinteria Avenue, Carpinteria, CA 93013**

On November 4, 2016 Hearing Board member Don Ward approved an Emergency Variance for the period of October 24, 2016 through November 7, 2016. Said variance provides relief from District Rule 206, Condition 9.C.4 of Part 70/Permit to Operate 8232 and allows for operation of Petitioner's facility without continuous monitoring data transmission to the District due to a temporary loss of data service from their provider.

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

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

IX. ADJOURN

The meeting was adjourned at 10:44 a.m.

ANNOUNCEMENTS

The next regularly scheduled meeting of the Santa Barbara County Air Pollution Control District Hearing Board is January 4, 2017, 9:30 a.m.