

H.B. Case No.: 2017-04-R
Petitioner: ExxonMobil
Permit No.: 9101
Date Rec'd: 01/10/17
Time Rec'd: 12:41
Filing Fee Paid: \$580.00

PETITION FOR VARIANCE

Type of Variance Requested:

Emergency _____ Interim¹ _____ 90-Day _____ Regular x

Length of Variance Requested: Start Date 2/1/2017
End Date 1/31/2018

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 on ExxonMobil's Platform Harmony which is located in the Santa Ynez Unit on OCS lease tract P-0190, approximately 25 miles west of the City of Santa Barbara. The platform is situated in the Southern Zone of Santa Barbara County.

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

PTO and Part 70 Operating Permit 9101

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

Platform Harmony is an oil and gas production platform permitted by the District under Part 70/Permit to Operate (PTO) 9101-R5. Primary oil emulsion and gas separation takes place on Platform Harmony. The central process heater has a rated heat input of 27.2 MMBtu/hr and is located on the cellar deck. It is a John Zinc AVC-SF-16S model. The pedestal crane east has a diesel internal combustion engine with a rated heat input of 2.920 MMBtu/hr and is located on the drilling deck. It is a 8V-92TA model. It is used to transport personnel and supplies between the platform and vessels.

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 9101 conditions related to Rules 206, 342, and 333. 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 preservation.

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 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. This petition requests relief from a number of conditions related to compliance testing that are either infeasible or unwarranted during this period. This petition is submitted separately, but concurrently with a petition covering other Harmony conditions because the proposed final compliance date differs.

This petition requests relief from compliance testing of the central process heater, which is currently not in operation and cannot be tested. The operating permit contains provisions for the delay of this testing for good cause. However, due to the extended nature of this event, a variance petition is being submitted to clarify the situation.

The crane is in use and could be tested biannually as required by the permit; however this frequency is not warranted. Due to preservation it is only being utilized at approximately 15 percent of operating time in a typical year (~280 hours compared to ~1900 hours). The petitioner is requesting to have testing frequency be reduced to triennially to be consistent with the limited use of the unit during preservation and to align with 40 CFR 63 Subpart ZZZZ requirements. As noted in the permit, if the crane fails a test it would automatically enter a once per year testing cycle until the crane is demonstrated to be in compliance with Section E of Rule 333 by two consecutive annual source tests.

ExxonMobil is requesting a variance to allow the suspension of compliance testing as specified in the attached table until the facility returns to normal operations. Within 180 days of well production, the conditions suspended under the terms of the variance will resume as described in the current Part 70/PTO 9101.

- 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: 1/10/2017 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>.

PTO 9101 - Harmony Source Test Variance Petition

Platform	Condition	Condition Language	Other information
Harmony	9.C.2(c)(iii)	Source Testing - On a biennial schedule, ExxonMobil shall source test the Central Process Heater according to Condition C.12 (Source Testing).	Petitioner requests relief from source testing the process heater until 180 days after resumption of well production.
Harmony	9.C.12	ExxonMobil shall conduct source testing of air emissions and process parameters listed in Table 4.3.	Table 4.3 requires biennial testing of the process heater. Petitioner requests relief from source testing the process heater until 180 days after resumption of well production.
Harmony	9.C.12 (a)(i)	Source testing of the process heater shall be performed on a biennial schedule, between December 1st and March 1st.	Petitioner requests relief from source testing the process heater until 180 days after resumption of well production.
Harmony	9.C.1(c)(iii)	Source Testing - For each engine, ExxonMobil shall perform source testing of air emissions and process parameters consistent with the requirement of Condition C.12 (Source Testing) and in accordance with the requirements of Rule 331.I.	During the preservation period the crane is being used approximately 15% of the time compared to how often it is used in a normal operating year. Petitioner requests source testing for the crane only be required triennially to align with 40 CFR 63 Subpart ZZZZ.
Harmony	9.C.12	ExxonMobil shall conduct source testing of air emissions and process parameters listed in Table 4.3.	Table 4.3 requires biennial testing of the crane. During the preservation period the crane is being used approximately 15% of the time compared to how often it is used in a normal operating year. Petitioner requests source testing for the crane only be required triennially to align with 40 CFR 63 Subpart ZZZZ.
Harmony	9.C.12(a)	Source testing of the crane engines shall be performed on a biennial schedule using June 1994 as the anniversary date. The crane shall be loaded to the maximum safe load obtainable.	During the preservation period the crane is being used approximately 15% of the time compared to how often it is used in a normal operating year. Petitioner requests source testing for the crane only be required triennially to align with 40 CFR 63 Subpart ZZZZ.

Harmony Variance Petition Source Test - February 2017

APCD Rule	Title	Applicability	Section Heading	Section	Rule Language	Reason for Petition
333	Control of Emissions from Reciprocating Internal Combustion Engines	Crane Engines	I. Source Testing	I.1	After the initial source test, source tests shall be performed biennially to demonstrate compliance with Section E.	During the preservation period the cranes are being used approximately 15% of time compared to how often they are used in a normal operating year. Petitioner requests source testing for the cranes only be required triennially to align with 40 CFR 63 Subpart ZZZZ.
342	Control of Oxides of Nitrogen (NOx) from Boilers, Steam Generators, and Process Heaters	Process Heater	G. Requirements - Testing	G.1	Except units complying with Subsection D.2.c, all units covered in Subsections D.1 and D.2 shall be tested for compliance not less than once every 24 months.	The condition specifies testing equipment that is temporarily not in operation. Petitioner requests relief from testing equipment that will temporarily not be in service.

ExxonMobil Production Company

U.S. Production - Santa Ynez Unit

P.O. Box 1207

Goleta, California 93116-1207



January 10, 2017

Petition for Regular Variance

Permits 5651, 9100, 9101, 9102

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 Petitions for ExxonMobil's Las Flores Canyon, Platform Hondo, Platform Harmony, and Platform Heritage facilities. These petitions are 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,

Jing Wan
Asset Manager

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

Attachment
JW:pas

cc: Mike McKay, SBCAPCD