

H.B. Case No.:	<u>2016-39-M1</u>
Petitioner:	<u>Venoco, LLC</u>
Permit No.:	<u>7904</u>
Date Rec'd:	<u>11/14/17</u>
Time Rec'd:	<u>15:45</u>
Filing Fee Paid:	<u>\$1,291.00</u>

PETITION FOR VARIANCE

Type of Variance Requested:			
Emergency	<u> </u>	Interim ¹	<u> </u>
		90-Day	<u> </u>
		Regular	<u>XX</u>
Length of Variance Requested:	Start Date	<u>12-6-17</u>	
	End Date	<u>12-5-19</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: Venoco, LLC (Attn : Keith Wenal)
 Address: 6267 Carpinteria Ave. Suite 100
Carpinteria, CA 93013
 Phone Number: (805) 745-2259

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: [Same as 1.A]
 Address: Email: kwenal@venocoinc.com

 Phone Number: (805) 745-2259

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.

Ellwood Onshore Facility (EOF), 7979 Hollister Ave., Goleta, CA 93117

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

PTO No. 7904-R10

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

Venoco LLC (Venoco) requests a Modification of Final Compliance Date per HS&C 42357 and Modification of Variance per HS&C 42356 for Variance 2016-39-R. The Variance was issued to provide relief from source testing requirements for the EOF, which are not able to be conducted due to ongoing facility shutdown resulting from the closure of the Plains pipeline. Specifically, Venoco seeks relief from requirements to source test combustion equipment H-204 and H-205. It is beyond Venoco's control to comply with these requirements because (1) H-204 is not operating during the shutdown, (2) H-205 currently only operates intermittently and current gas processing is not within required source testing parameters. Since the granting of Variance 2016-39-R, there have been no operational changes at EOF, it has been established that oil and gas processing has permanently ceased at this facility, and well abandonment at associated Platform Holly facility will commence approximately 2nd quarter 2018.

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.

(1) PTO 7904-R10, Permit Condition No. 9.C.1.(c).(i): Process Heater H-204 Source testing.

(2) PTO 7904-R10, Permit Condition No. 9.C.2.(c).(i): Thermal Oxidizer H-205 Source Testing.

- 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.

EOF shutdown has resulted in no produced gas being available to perform the subject source testing requirements for which variance relief is being sought. Venoco was granted Variance 2016-39-R from these requirements for 2017, and a Modification of Final Compliance Date and Modification of Variance is hereby being requested in this petition.

- 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.

Venoco is unable to comply with the subject requirements due to the fact that there is no oil and gas process as a result of production shutdown. A practical closing of the facility has already occurred due to the impacts of the Plains Pipeline spill and shutdown.

- 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.

Since Venoco is unable to comply with the subject requirements as per above, impact on air contaminants in the event of immediate compliance is not applicable.

- E. Please describe what consideration you have given to curtailing operation of the source in lieu of obtaining a variance.

With the exception of processing a small amount of in-plant gas to allow for continued operation of the vapor recovery systems, all EOF operations are already curtailed. A variance is being sought because compliance with the subject permit conditions is required irrespective of operational status.

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

With the exception of H-205, all equipment associated with the subject permit conditions are not in operation during this facility shutdown. H-205 is, at a maximum, operated only intermittently (for the purpose of "exercising" the unit), and combusts exclusively PUC grade gas within permitted emission limits. Note that H-205 has not operated since March 2017, and there are no immediate plans for future operation.

- 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.

Not applicable since there are no excess emissions associated with the granting of 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: N/A Time: _____

- B. Breakdown number (as provided by the District): N/A
- 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? No.
8. Please state whether or not any civil or criminal case involving the equipment subject to this variance is pending any court. There are no civil or criminal cases involving the equipment subject to this variance.

The undersigned is authorized to submit the above Petition on behalf of the Petitioner and further states under penalty of perjury that the above Petition, including any attachments and the items therein set forth, are true and correct.

DATE: November 14, 2017

SIGNATURE: _____



TITLE: HES Manager

PRINT NAME: Keith Wenal