

	Case No / Date	2017-28-E	12/08/17
	Petitioner	Ellwood Generating Station	
	Permit #	8180	
	Date Rec'd	12/08/17	
	Time Rec'd	11:48	
<b>FOR OFFICIAL USE ONLY</b>			

**BEFORE THE HEARING BOARD  
OF THE SANTA BARBARA COUNTY  
AIR POLLUTION CONTROL DISTRICT**

In The Matter of the Application of )  
 Ellwood Generating Station for an )  
 Emergency Variance from District )  
 Rule 206, Conditions 1, 2.a, and 2.d )  
 of Permit to Operate 8180. )

**H.B. Case No. 2017-28-E**

**VARIANCE FINDINGS**

**AND ORDER**

Ellwood Generating Station filed a Petition for an Emergency Variance on December 08, 2017. A hearing regarding the above-entitled matter was held on December 08, 2017. Tom DiCiulli, George Piantka, and Sheila Henika represented the Petitioner, Mike McKay represented the Santa Barbara County Air Pollution Control District, and Terence Dressler represented the Hearing Board for this Emergency Hearing.

This matter having been fully presented and duly considered, the Hearing Board makes the following findings and gives the following reasons for its decision.

1. Notice of the Hearing was duly given in the manner and for the time required by law.
2. Sworn testimony and argument on behalf of the Petitioner and the Air Pollution Control Officer were made, received and considered.
3. The Petitioner operates the equipment described in the Petition at 30 Las Armas Road, Goleta, California.
4. The Petitioner operates two gas turbines that generate electrical utility power when there is a peak demand or outage. On December 04, 2017, the Thomas Fire started near Santa Paula, CA and was quickly out of control, burning thousands of acres within hours. The fire impacted electrical services throughout both Ventura and Santa Barbara County. On December 07, 2017, the California Independent Service Operator (CalISO) required Ellwood Generating Station to operate its two turbines to supplement lost electrical power. CalISO emergency notifications have been sent out regularly since the evening of

December 07, 2017, and the Petitioner expects them to continue until a stable electrical grid can be re-established. The facility does not have enough on site water storage to meet the required water injection ratio which is necessary to meet permitted emission limits during this continued operation. The Thomas Fire has also forced many road closures, disrupting delivery of this specialized water, which is prepared in Oxnard, CA. In addition, each gas turbine is permitted to operate no more than 400 hours per year, and these turbines are unable to run independently. As of December 08, 2017, the turbines have operated approximately 240 hours in 2017. The ongoing CalISO notifications could potentially push the usage over the 400 hour/year permitted limit before December 31, 2017.

5. Operation of the two turbines, fired on natural gas, for 24 continuous hours without water injection has the potential to create excess emissions in the amount of 6,385lb NO<sub>x</sub>. While this scenario is highly unlikely, it is worst-case. The emissions are calculated using factors specified in Attachment A of Permit to Operate 8180.
6. Without Variance coverage, the Petitioner will be in violation of District Rule 206, Conditions 1, 2.a, and 2.d of Permit to Operate 8180.
7. The Petitioner will monitor the dates, hours, and all emissions related to the granting of this Variance.
8. If, due to reasons beyond the control of the Petitioner, the turbines are required to run longer than this Variance period, additional relief will be sought.
9. A nuisance as defined in District Rule 303 is not expected to occur as a result of this variance and continued operation is not likely to create an immediate threat or hazard to public health or safety.
10. The District staff supports the Petition as conditioned below.
11. Pursuant to Health and Safety Code section 42359.5, I find that "good cause" exists for the granting of Petitioner's request for an Emergency Variance.

**THEREFORE, THE HEARING BOARD ORDERS,** as follows:

That an Emergency Variance be granted for the continued operation of the Petitioner's facility in violation of Rule 206, Conditions 1, 2.a, and 2.d of Permit to Operate 8180, from December 08, 2017 through January 06, 2018 or the date the Ellwood Generating Station is no longer needed to supply emergency power generation associated with the Thomas Fire, whichever occurs first with the following conditions:

1. Petitioner shall submit a written report to the Hearing Board and District by January 26, 2018. The report shall include the date compliance was achieved together with any excess emissions (if any) that occurred during the variance.
2. Petitioner shall retain the obligation to comply with all other local, state and federal regulations not specifically referenced in the Order.
3. Failure to abide by all conditions of this Order shall subject the Petitioner receiving the variance to penalties set forth in Health and Safety Code section 42402.
4. Each day during any portion of which a violation occurs is a separate offense.
5. The Environmental Protection Agency does not recognize California's Variance program, therefore, this Variance does not protect the Petitioner from Federal Enforcement actions.

DATED: 12/8/2017

  
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Terence Dressler, Member  
Santa Barbara County Air Pollution Control District  
Hearing Board