

	Case No / Date	2017-29-I	12/29/17
	Petitioner	FMOG	
	Permit #	6708	
	Date Rec'd	12/28/17	
	Time Rec'd	09:20	
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**BEFORE THE HEARING BOARD
OF THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

In The Matter of the Application of)
 Freeport McMoRan for an Interim)
 Variance from District Rule 206,)
 Conditions 9.C.14 and 9.C.23 of)
 Permit to Operate 6708)

**H.B. Case No. 2017-29-I

VARIANCE FINDINGS

AND ORDER**

Freeport McMoRan (FMOG) filed a Petition for an Interim/Regular Variance on December 28, 2017. A hearing regarding the above-entitled matter was held on December 29, 2017. Glenn Oliver represented FMOG via telephone, Michael McKay represented the Santa Barbara County Air Pollution Control District, and Francis Peters represented the Hearing Board via telephone for this Interim 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 the Lompoc Oil & Gas Plant (LOGP), located 2.7 miles northeast of the City of Lompoc at 3602 Harris Grade Road.
4. On September 29, 2017, the odor monitoring station permitted under PTO 6708 was completely destroyed by the Rucker fire. There was nothing salvageable after the fire. PTO 6708 requires monitoring and data collection for several meteorological parameters as well as H₂S and total reduced sulfides in the ambient air. Data is also required to be transmitted to the APCD data acquisitions system (DAS). Until the monitoring station can be re-built and a connection with the District re-established, the Petitioner is unable

to maintain compliance with the above conditions. The Petitioner was granted a 90-day Variance on October 31, 2017. However, as stated in their most recent petition, all equipment for the replacement station was ordered but several major items, including the stations modular building and one of the analyzers will not be arriving in time for compliance to be achieved prior to the end of the 90-day Variance. Therefore, the Petitioner filed for additional relief until the necessary equipment is delivered and installed.

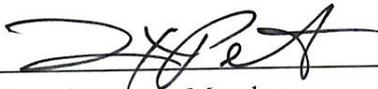
5. Without Variance coverage, the Petitioner will be in violation of District Rules 206, Conditions 9.C.14 and 9.C.23 of Permit to Operate 6708.
6. Due to conditions beyond the reasonable control of the Petitioner, compliance would result in an arbitrary or unreasonable taking of property as LOGP would be required to cease operations. This would have a significant economic impact to the company as production at offshore Platform Irene would also be required to cease operations. In addition, gas from the nearby Lompoc Oil Field, owned and operated by Sentinel Peak Resources, is processed at LOGP and that field would also be required to shutdown.
7. Closing or taking would be without a corresponding benefit in reducing air contaminants, as there are no emissions related to the granting of this variance.
8. Curtailing operations will not completely eliminate emissions as all vessels would still have oil and gas present.
9. There are no expected emissions related to the granting of this variance.
10. The Petitioner will monitor the dates, hours, and all emissions, if any, related to the granting of this Variance.
11. 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.
12. The District staff supports the Petition as conditioned below.
13. 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 Interim Variance be granted for the continued operation of the Petitioner's facility in violation of Rule 206, Conditions 9.C.14 and 9.C.23 of Permit to Operate 6708 from January 01, 2018 through February 28, 2018, or the date of decision on the Petitioner's request for a Regular Variance, or the date compliance is achieved, whichever occurs first with the following conditions:

1. Petitioner shall submit a written report to the Hearing Board and District by March 16, 2018. The report shall include the date compliance was achieved together with a description of the corrective action taken, and 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: 12-29-2017



Francis Peters, Member
Santa Barbara County Air Pollution Control District
Hearing Board