

ACTION SUMMARY
(Unofficial)

December 6, 2017

APCD Hearing Board

9:30 A.M.

Dr. Francis P. Lagattuta, Chair
Robert J. Saperstein
Lee-Volker Cox, Vice-Chair
Terence Dressler
Francis Peters, Jr.

**BOARD OF SUPERVISORS HEARING ROOM
BETTERAVIA GOVERNMENT CENTER
511 EAST LAKESIDE PARKWAY
SANTA MARIA, CA**

I. 9:33 a.m. – Convened by Vice-Chair Cox – Roll Call

Present: 4 - Saperstein, Cox, Dressler, Peters.

Absent: 1 - Lagattuta.

II. Approval of minutes of the November 1, 2017 meeting

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

Ayes: 4 - Saperstein, Cox, Dressler, Peters.

Noes: 0 - None.

Abstain: 0 - None.

Absent: 1 - Lagattuta.

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

None.

IV. Announcements/Staff Reports

Mike McKay gave the following updates:

- Staff has an internal meeting scheduled in January to discuss changes to Hearing Board procedures based on recent ARB training;
- Permit modifications to address long-term shutdowns of facilities affected by the pipeline will be discussed over the next couple years;
- The *Transfer of Owner or Operator* application for the Ellwood Onshore Facility was deemed complete on November 16, 2017. As conditioned in Venoco's Variance No. 2016-27-M1, the variance period expires 180 days after the *Transfer of Owner or Operator* application is deemed complete. It is not yet known if a new variance will be sought, however staff is working with the entities on next steps; and
- Audio from the November Hearing Board meeting has been posted to the District website. Audio will be posted for all regular Hearing Board meetings going forward.

Clerk of the APCD Board:

Aeron Arlin Genet

V. Public Comment Period

There were no public comments.

VI. Public Hearings – Administration of Oath conducted prior to each hearing.

1) Case No. – 2016-37-M1

**Beacon West on behalf of State Lands Commission
1072 Casitas Pass Rd. #221, Carpinteria, CA 93013**

Hearing – To consider an application submitted on November 14, 2017 by Beacon West on behalf of the California State Lands Commission, in anticipation of the Transfer of Owner or Operator application being deemed complete, for a Modification of Variance and Modification of Final Compliance Date for Regular Variance 2016-37-R. The Petitioner is requesting continued relief 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 on offshore lease tract 3242-1, South Ellwood Offshore Field.

John Garnett 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, a motion was made by Hearing Board member Dressler, seconded by Hearing Board member Saperstein that good cause was found to grant the modification of variance and modification of final compliance date of Variance No. 2016-37-R as submitted in the draft Findings and Order. Adopted Regular Variance No. 2016-37-M1. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

2) Case No. – 2016-38-M1

**Venoco, LLC
6267 Carpinteria Avenue, Carpinteria, CA 93013**

Hearing – To consider an application submitted on November 14, 2017 by Venoco, LLC for a Modification of Variance and Modification of Final Compliance Date for Regular Variance 2016-38-R. The Petitioner is requesting continued relief 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 Garnett 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, a motion was made by Hearing Board member Peters, seconded by Hearing Board member Dressler that good cause was found to grant the modification of variance and modification of final compliance date of Variance No. 2016-38-R as submitted in the draft Findings and Order, with a correction to the Petitioner representative as John Garnet. Adopted Regular Variance No. 2016-38-M1. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

3) **Case No. – 2016-39-M1**

Venoco, LLC
6267 Carpinteria Avenue, Carpinteria, CA 93013

Hearing – To consider an application submitted on November 14, 2017 by Venoco, LLC for a Modification of Variance and Modification of Final Compliance Date for Regular Variance 2016-39-R. The Petitioner is requesting continued relief 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 Garnett 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, a motion was made by Hearing Board member Saperstein, seconded by Hearing Board member Dressler that good cause was found to grant the modification of variance and modification of final compliance date of Variance No. 2016-39-R as submitted in the draft Findings and Order, with a correction to the Petitioner representative as John Garnet. Adopted Regular Variance No. 2016-39-M1. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

4) **Case No. – 2015-35-M2**

Freeport McMoRan Oil and Gas, LLC
201 South Broadway, Orcutt, CA 93455

Hearing – To consider an application submitted on November 14, 2017 by Freeport McMoRan Oil & Gas for a Modification of Final Compliance Date for Regular Variance 2015-35-M1. 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.

David Rose and 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, a motion was made by Hearing Board member Peters, seconded by Hearing Board member Saperstein that good cause was found to grant the modification of final compliance date of Variance No. 2015-35-M1 as submitted in the draft Findings and Order, with a correction to the Petitioner representative as David Rose. Adopted Regular Variance No. 2015-35-M2. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

5) **Case No. – 2015-36-M2**

Freeport McMoRan Oil and Gas, LLC
201 South Broadway, Orcutt, CA 93455

Hearing – To consider an application submitted on November 14, 2017 by Freeport McMoRan Oil & Gas for a Modification of Final Compliance Date for Regular Variance 2015-36-M1. 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.

David Rose and 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, a motion was made by Hearing Board member Dressler, seconded by Hearing Board member Peters that good cause was found to grant the modification of final compliance date of Variance No. 2015-36-M1 as submitted in the draft Findings and Order, with a correction to the Petitioner representative as David Rose. Adopted Regular Variance No. 2015-36-M2. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

6) **Case No. – 2015-37-M2**

Freeport McMoRan Oil and Gas, LLC
201 South Broadway, Orcutt, CA 93455

Hearing – To consider an application submitted on November 14, 2017 by Freeport McMoRan Oil & Gas for a Modification of Final Compliance Date for Regular Variance 2015-37-M1. The Petitioner is requesting continued relief from District Rules 328 and 206, Conditions 9.B.2, 9.C.1(b), 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.

David Rose and 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, a motion was made by Hearing Board member Dressler, seconded by Hearing Board member Peters that good cause was found to grant the modification of final compliance date of Variance No. 2015-37-M1 as submitted in the draft Findings and Order, with a correction to the Petitioner representative as David Rose. Adopted Regular Variance No. 2015-37-M2. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

7) Case No. – 2015-38-M2

Freeport McMoRan Oil and Gas, LLC
201 South Broadway, Orcutt, CA 93455

Hearing – To consider an application submitted on November 14, 2017 by Freeport McMoRan Oil & Gas for a Modification of Final Compliance Date for Regular Variance 2015-38-M1. 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.

David Rose and 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, a motion was made by Hearing Board member Peters, seconded by Hearing Board member Dressler that good cause was found to grant the modification of final compliance date of Variance No. 2015-38-M1 as submitted in the draft Findings and Order, with a correction to the Petitioner representative as David Rose. Adopted Regular Variance No. 2015-38-M2. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

VII. 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.

A-1) Case No. – 2017-23-N – Freeport McMoRan Oil and Gas, LLC
201 South Broadway, Orcutt, CA 93455

On October 31, 2017 Hearing Board member Francis Peters approved a 90-Day Variance allowing for continued operation of Petitioner’s facility in violation of District Rule 206, Conditions 9.C.14, and 9.C.23 of Permit to Operate 6708 without an odor monitoring station due to the structure being completely destroyed by the Rucker fire. Said variance provides relief for the period of October 03, 2017 through December 31, 2017, or the date compliance is achieved, whichever occurs first, while the monitoring station is rebuilt.

A-2) Case No. – 2017-25-I – Imery’s Minerals California, Inc.
2500 Miguelito Road, Lompoc, CA 93436

On October 19, 2017 Hearing Board member Terence Dressler approved an Interim Variance allowing for continued operation of the Petitioner’s facility in violation of Rule 206, Conditions 9.C.6(a)(i) and 9.C.6(c)(xiii) of Part 70/Permit to Operate 5840-R5. Said variance provides relief for the period of October 17, 2017 through January 15, 2018, or the date compliance is achieved, or the date of decision on the Petitioner’s request for a 90-Day Variance, whichever occurs first, while the cause of the daily NOx exceedance (0.05 lb/hr over the limit) from the 7 System combined furnace/kiln at the venturi scrubber/pack bed tower outlet is identified and corrected.

**A-3) Case No. – 2017-26-E – Freeport McMoRan Oil and Gas, LLC
201 South Broadway, Orcutt, CA 93455**

On October 19, 2017 Hearing Board member Terence Dressler approved an Emergency Variance allowing for continued operation of the Petitioner’s facility in violation of Rule 206, Conditions 9.C.2(b)(ix)(1) and 9.C.2(b)(x)(1) of Part 70/Permit to Operate 9105-R4. Said variance provides relief for the period of October 18, 2017 through November 1, 2017 or the date compliance is achieved, whichever occurs first, while repairs are made to the G-92 turbine.

**A-4) Case No. – 2017-27-N – Imery’s Minerals California, Inc.
2500 Miguelito Road, Lompoc, CA 93436**

On November 9, 2017 Hearing Board member Terence Dressler approved a 90-Day Variance allowing for continued operation of the Petitioner’s facility in violation of Rule 206, Conditions 9.C.6(a)(i) and 9.C.6(c)(xiii) of Part 70/Permit to Operate 5840-R5. Said variance provides relief for the period of October 17, 2017 through January 15, 2018, or the date compliance is achieved, whichever occurs first, while the cause of the daily NOx exceedance (0.05 lb/hr over the limit) from the 7 System combined furnace/kiln at the venturi scrubber/pack bed tower outlet is identified and corrected.

A motion was made by Hearing Board member Dressler, seconded by Hearing Board member Peters that Administrative Agenda items A-1 through A-4 be received and filed. The motion carried by the following vote:

Ayes: 4 - Saperstein, Cox, Dressler, Peters.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 1 - Lagattuta.

VIII. ADJOURN

The meeting was adjourned at 10:16 a.m. to January 3, 2018. Meeting is subject to cancellation if there are no items to be heard.