

 <p>Santa Barbara County Air Pollution Control District</p>	Case No / Date	2018-12-E	10/30/18
	Petitioner	Santa Maria Energy	
	Permit #	13986	
	Date Rec'd	10/19/18	
	Time Rec'd	1239 hours	
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**BEFORE THE HEARING BOARD
OF THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

In The Matter of the Application of)
 Santa Maria Energy for an Emergency)
 Variance from District Rule 206,)
 Condition 11 of Permit to Operate)
 13986)

H.B. Case No. 2018-12-E

VARIANCE FINDINGS

AND ORDER

Santa Maria Energy filed a Petition for an Emergency Variance on October 19, 2018. A hearing regarding the above-entitled matter was held on October 30, 2018. Ian Marquardt, P.E. represented the Petitioner, Aimee Long and Eric Kett represented the Santa Barbara County Air Pollution Control District, and Francis Peters, Jr. 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 the Careaga Lease, located within the Santa Maria Energy – Orcutt Field Stationary Source.
4. Without Variance coverage, the Petitioner will be in violation of District Rule 206 (Condition 11 of Permit to Operate 13986).
5. Condition 11 of Permit to Operate 13986 requires the Petitioner to control the emissions of produced gas at all times. On October 18, 2018, the burner mesh on the Thermal Oxidizer (APCD Device ID 386807) ripped causing the unit to shut down. As a result, Breakdown #11541, was submitted to the District. The Petitioner installed a spare burner mesh; however, it ripped upon start-up causing the unit to shut down a second time. The Petitioner

immediately contacted the manufacturer located in the Texas. Since the burner mesh contains proprietary materials, the manufacturer is the only one able to make the repairs. As a result, the Petitioner immediately shipped the ripped burner mesh back to manufacturer for repairs. In addition, the Petitioner paid extra fees to move the repair to the front of the line.

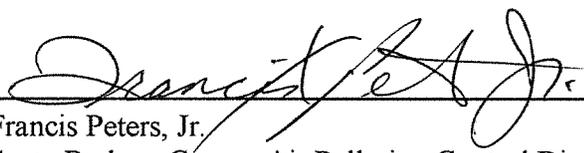
6. To mitigate uncontrolled emissions release of produced gas the Petitioner has agreed to file an application for use of a temporary flare. Along with the use of this temporary flare, the Petitioner has also agreed to shut in certain oil wells to assist with gas throughput management. With these measures in place, and an assumed flaring rate of 500,000 scf/day, excess emissions for all pollutants associated with the granting of this Variance are expected to total 147.82 lbs/day for the Variance period. With the use of the temporary flare, the facility's expected annual emissions (6.7 tons/year) are below the facility's permitted limits (8.7 tons/year). Without these mitigation measures the uncontrolled release of produced gas would occur.
7. If, due to reasons beyond the control of the Petitioner, successful equipment repairs are unable to be completed during this Variance period, additional relief will be sought.
8. 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.
9. The District staff supports the Petition as conditioned below.
10. 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 operation of the Petitioner's facility in violation of District Rule 206 (Condition 11 of Permit to Operate 13986), from October 19, 2018 through November 2, 2018 with the following conditions:

1. Petitioner shall apply for and receive approval from the District for use of a temporary flare during the Variance period.
2. Petitioner shall monitor and record all emissions related to the granting of this Variance.
3. Petitioner shall submit a written report to the Hearing Board and District by November 16, 2018. The report shall include the date compliance was achieved together with a description of the corrective action taken, and emissions, if any, which occurred during the variance period.
4. Petitioner shall retain the obligation to comply with all other local, state and federal regulations not specifically referenced in the Order.
5. 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.
6. Each day during any portion of which a violation occurs is a separate offense.
7. The Environmental Protection Agency does not recognize California's Variance program, therefore, this Variance does not protect the Petitioner from Federal Enforcement actions.

DATED: Oct 30, 2018



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