

	Case No / Date	2017-02-M1	2/6/19
	Petitioner	ExxonMobil Production Company	
	Permit #	Part 70/PTO 9100 R6	
	Date Rec'd	11/28/18	
	Time Rec'd	1347 hours	
<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 )  
ExxonMobil Production Company for a )  
Modification of Conditions and )  
Modification of Final Compliance Date )  
of Regular Variance from District )  
Rules 325.D.1(b), 325.E.1(b), )  
325.F.4(b), 325.F.4(d), 359.F.2, )  
359.G.1, 359.H.2, 359.H.3, and Rule )  
206, Conditions 9.C.3(d)(i), )  
9.C.3(d)(ii), 9.C.3(d)(iii), 9.C.3(d)(iv), )  
9.C.3(e)(i), 9.C.3(e)(ii), 9.C.3(e)(iii), )  
9.C.3(e)(iv), 9.C.3(e)(v), 9.C.4(b)(i), )  
9.C.7(b)(i), 9.C.7(c)(i), 9.C.7(d), )  
9.C.7(d)(i), 9.C.7(d)(ii), 9.C.10(b)(i), )  
9.C.10(b)(iii), 9.C.10(b)(iv), )  
9.C.10(b)(v), 9.C.10(b)(vi), )  
9.C.10(b)(vii), 9.C.10(e), 9.C.10(f)(i), )  
9.C.10(h)(iv), 9.C.13, 9.C.16, and )  
9.C.19 of Part 70/Permit to Operate )  
9100 R6.

**\*\*\* DRAFT \*\*\***

**H.B. Case No. 2017-02-M1**

**VARIANCE FINDINGS**

**AND ORDER**

On November 28, 2018, ExxonMobil Production Company filed a Petition for a Modification of Conditions and Final Compliance Date of Regular Variance 2017-02-R. The petition was heard on February 6, 2019 in accordance with Health and Safety Code §40808 with Patrice Surmeier appearing for the Petitioner and Aimee Long appearing for the Santa Barbara County Air Pollution Control District.

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 Platform Hondo, located on offshore lease tract OCS-P-0188.
4. ExxonMobil Production Company, a division of Exxon Mobil Corporation, is the holder of Permit to Operate 9100 R6. This main facility permit authorizes the operation of equipment and processes located at Platform Hondo, which is part of the Exxon – Santa Ynez Unit (SYU) Project.
5. As a result of the Plains All American Pipeline (AAPL) Line 901 failure on May 19, 2015, ExxonMobil experienced facility impacts. Due to these impacts, SYU onshore and offshore facilities are preparing for an extended suspension of operations. On June 16, 2015, all platform gas being sent onshore was terminated. Facility equipment is not operating normally and is being preserved to manage its integrity over the longer term. This preservation process may involve the temporary and intermittent use of equipment, not reflective of normal operating conditions. Line 901 remains shutdown and Plains continues to work with local and federal agencies to reestablish pipeline operations. Although it is unclear when the restart of the Petitioners facility may occur, it is anticipated that all of the equipment will eventually be operated again. Since the facility is not in operation, the Petitioner is requesting coverage from performing measurement and/or recordkeeping of process parameters that do not exist during this extended shutdown. Any emissions related to the granting of this variance are expected to be within permitted limits.
6. Per Health and Safety Code §42356, the Petitioner requested a Modification of Conditions due to renumbering of condition numbers in the reevaluated permit. Modified condition numbers are in brackets as follows: District Rule 206, Conditions 9.C.2(c)(i)[Modified 9.C.3(d)(i)], 9.C.2(c)(ii) [Modified 9.C.3(d)(ii)], 9.C.2(c)(1)(iii) [Modified 9.C.3(d)(iii)], 9.C.2(c)(iv) [Modified 9.C.3(d)(iv)], 9.C.2(d)(i) [Modified 9.C.3(e)(i)], 9.C.2(d)(ii) [Modified 9.C.3(e)(ii)], 9.C.2(d)(iii) [Modified 9.C.3(e)(iii)], 9.C.2(d)(iv) [Modified 9.C.3(e)(iv)], 9.C.2(d)(v) [Modified 9.C.3(e)(v)], 9.C.3(b)(i) [Modified 9.C.4(b)(i)], 9.C.6(b)(i) [Modified 9.C.7(b)(i)], 9.C.6(c)(i) [Modified 9.C.7(c)(i)], 9.C.6(d) [Modified 9.C.7(d)], 9.C.6(d)(i) [Modified 9.C.7(d)(i)], 9.C.6(d)(ii) [Modified 9.C.7(d)(ii)], 9.C.9(b)(i) [Modified 9.C.10(b)(i)], 9.C.9(b)(iii) [Modified 9.C.10(b)(iii)], 9.C.9(b)(iv) [Modified 9.C.10(b)(iv)], 9.C.9(b)(v) [Modified

- 9.C.10(b)(v)], 9.C.9(b)(vi) [Modified 9.C.10(b)(vi)], 9.C.9(b)(vii) [Modified 9.C.10(b)(vii)], 9.C.9(e) [Modified 9.C.10(e)], 9.C.9(f)(i) [Modified 9.C.10(f)(i)], 9.C.9(h)(iv) [Modified 9.C.10(h)(iv)], 9.C.12 [Modified 9.C.13], 9.C.15 [Modified 9.C.16], and 9.C.18 [Modified 9.C.19] of Part 70/Permit to Operate 9100 R6.
7. Per Health and Safety Code §42357, the Petitioner requested a Modification of Final Compliance Date in order to extend variance coverage through January 31, 2021.
  8. The Petitioner will monitor the dates, hours, and all emissions, if any, related to the granting of this Variance.
  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. Pursuant to Health and Safety Code §42357, it is found that “good cause” exists for the granting of the Petitioner’s request for Modification of the Final Compliance Date set forth in 2017-02-R.
  11. The District staff supports the Petition as conditioned below.

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

That a modification of conditions and modification of final compliance date of Regular Variance 2017-02-R be granted for the continued operation of Platform Hondo in violation of District Rules 325.D.1(b), 325.E.1(b), 325.F.4(b), 325.F.4(d), 359.F.2, 359.G.1, 359.H.2, 359.H.3, and Rule 206, Conditions 9.C.3(d)(i), 9.C.3(d)(ii), 9.C.3(d)(iii), 9.C.3(d)(iv), 9.C.3(e)(i), 9.C.3(e)(ii), 9.C.3(e)(iii), 9.C.3(e)(iv), 9.C.3(e)(v), 9.C.4(b)(i), 9.C.7(b)(i), 9.C.7(c)(i), 9.C.7(d), 9.C.7(d)(i), 9.C.7(d)(ii), 9.C.10(b)(i), 9.C.10(b)(iii), 9.C.10(b)(iv), 9.C.10(b)(v), 9.C.10(b)(vi), 9.C.10(b)(vii), 9.C.10(e), 9.C.10(f)(i), 9.C.10(h)(iv), 9.C.13, 9.C.16, and 9.C.19 of Part 70/Permit to Operate 9100 R6 from February 01, 2019 through January 31, 2021, or the date the facility resumes platform gas processing, whichever occurs first, with the following conditions:

1. Petitioner shall submit increments of progress to the Hearing Board and District on the first day of every calendar quarter after the effective date of the Regular Variance beginning April 1, 2019. The increments of progress report shall include: status of compliance, any corrective action taken to date, and the dates, times, volumes and actual emissions, if any, that occurred during the variance.
2. Petitioner shall submit a final report to the Hearing Board and District within thirty (30) days of the facility returning to compliance. The report shall include the date compliance was achieved together with the corrective actions taken and the dates, times, volumes and actual emissions, if any, that occurred during the variance period. If corrective action

would be subject to District permits, then permits must be obtained prior to initiating corrective action.

3. Petitioner shall retain the obligation to comply with all other local, state and federal regulations not specifically referenced in the Order.
4. 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.
5. Each day during any portion of which a violation occurs is a separate offense.

**DATED:** \_\_\_\_\_

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Chair  
Santa Barbara County Air Pollution Control District  
Hearing Board