



HEARING BOARD STAFF REPORT

TYPE: REGULAR VARIANCE

CASE NO: 2016-13-M2

DATE: May 1, 2019

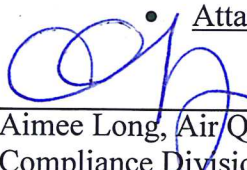
1.0 **GENERAL INFORMATION:**

- 1.1 **PETITIONER NAME:** ExxonMobil Production Company (ExxonMobil)
- 1.2 **EQUIPMENT LOCATION:** Petitioner operates the equipment described in the Petition at 12000 Calle Real, Goleta, CA
- 1.3 **PERMIT NUMBER(S):** Part 70/Permit to Operate 8092
- 1.4 **FACILITY NAME/ID:** POPCO, FID 03170
- 1.5 **FACILITY DESCRIPTION:** The Pacific Offshore Pipeline Company (POPCO) Gas Plant is part of the *Exxon – Santa Ynez Unit (SYU) Project* stationary source (SSID # 01482). The *Exxon – SYU Project* stationary source consists of five facilities: Platform Harmony (FID 08018), Platform Heritage (FID 08019), Platform Hondo (FID 08009), Las Flores Canyon Oil and Gas Plant (FID 01482), and POPCO Gas Plant (FID 03170). POPCO, a subsidiary of Exxon Mobil Corporation, owns the facility. ExxonMobil Production Company (ExxonMobil), an unincorporated division of Exxon Mobil Corporation, operates the facility. The POPCO facility has operated the existing gas processing plant since 1984, processing raw sour gas produced from the SYU oil and gas field located in the Outer Continental Shelf. The POPCO Gas Plant facility currently includes a Sulfur Removal Unit, two 41.000 MMBtu/hr steam boilers, two tri-ethylene glycol reboilers, an electrically driven propane refrigerant gas treatment system, and a thermal oxidation unit.

- 2.0 **REASON FOR THE VARIANCE REQUEST:** An H₂S analyzer is required to continuously measure H₂S concentrations in the gas. This analyzer failed and requires repair or replacement. In addition, as a result of the Plains All American Pipeline (AAPL) Line 901 failure on May 19, 2015, ExxonMobil Production Company has shut down operations and facility equipment has been preserved to manage its integrity. On July 5, 2017, the Hearing Board heard and issued Regular Variance Order 2016-13-M1, providing continued relief from the conditions listed in section 6.0 (below) through June 5, 2019 (or the date the facility resumes the processing of platform gas, whichever occurs first). At this time, it is unclear when the restart of the Petitioners facility may occur. Adequate verification of proper operation of a new H₂S analyzer is only feasible if installed just prior to operation and in-service testing completed to ensure proper operation. Per Health and Safety Code §42357, the Petitioner is requesting a modification of final compliance date, extending variance coverage through June 5, 2021 (or the date the facility resumes the processing of platform gas, whichever occurs first). There are no expected emissions related to the granting of the Petitioners request.

- 3.0 **BACKGROUND:** An application was submitted on April 8, 2019, by ExxonMobil Production Company to consider a modification of Regular Variance 2016-13-M1, to extend relief coverage from June 6, 2019 through June 5, 2021 (or the date the facility resumes the processing of platform gas, whichever occurs first), due to the unknown timeline for the AAPL repair.

- 4.0 **PERMITTING HISTORY:** The POPCO Gas Plant was permitted in two phases. The first phase was constructed in 1980 under District Rule 205. While the second phase was constructed in 1984 and routine operations began. Modifications to the Sulfur Recovery Unit (SRU) were made in 1997.
- 5.0 **COMPLIANCE HISTORY:** The H₂S Analyzer (Stretford tail gas analyzer AE-405) has historically operated in compliance with District rules and regulations.
- 6.0 **REGULATORY ANALYSIS:** The following permit conditions of Part 70 Permit to Operate 8092 and rule requirements are applicable to the variance request:
- **Condition 9.C.7(a)(i) (Emission Limits)**
 - See section 7.0
 - **Condition 9.C.12 (CEM)**
 - POPCO shall implement a CEM program for emissions and process parameters as specified in Section 4.11 and Tables 4.9 through 4.12 of this permit. POPCO shall implement the District-approved CEM Plan. The CEM monitors shall be in place and functional for the life of the project. The District shall use the CEM data alone, or in combination with other data, to verify and enforce project conditions. Excess mass emissions indicated by the CEM systems shall be considered a violation of the applicable mass emission limits.
 - **Condition 9.C.12(a)**
 - The monitoring devices shall meet the requirements set forth in District Rule 328 and 40 CFR 51 and 40 CFR 60. Monitors must be installed, maintained, and operated in accordance with District and EPA requirements, as specified in the CFR and the District approved CEM Plan with manufacturer's specifications.
 - **Rule 328 (Continuous Emissions Monitoring)**
 - Install, calibrate, operated and maintain in good working order equipment for continuously monitoring and recording emissions from a stationary source.
- 7.0 **EMISSIONS ANALYSIS:** Excess emissions are not expected as a result of this Variance.
- 8.0 **RESERVED**
- 9.0 **OTHER FACTORS:** none
- 10.0 **DISTRICT RECOMMENDATION:** The APCD supports the Petitioner's request and recommends the granting of the attached draft variance order.
- 11.0 **ATTACHMENTS:**
- **Attachment 1** – Draft Regular Variance Order 2016-13-M2


Aimee Long, Air Quality Specialist
Compliance Division

4/17/19
Date