

	Case No / Date	2020-15-E	08/10/2020
	Petitioner	HVI Cat Canyon Inc.	
	Permit #	08096-R11	
	Date Rec'd	07/31/2020	
	Time Rec'd	1647 hours	
FOR OFFICIAL USE ONLY			

**BEFORE THE HEARING BOARD
OF THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

In the Matter of the Application of)
HVI Cat Canyon for an Emergency)
Variance from District Rules 325.E.1,)
206, Condition 11 of Permit to Operate)
08096-R11.)
)

H.B. Case No. 2020-15-E

VARIANCE FINDINGS

AND ORDER

HVI Cat Canyon Inc. filed a Petition for an Emergency Variance on July 31, 2020. A hearing of the above-entitled matter was held on August 10, 2020. Aaron Bush, represented the Petitioner, Eric Kett represented the Santa Barbara County Air Pollution Control District, and Robert Saperstein 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 Morganti Lease which is located in the Casmalia Oil Field near Casmalia, California.
4. On July 30, 2020 the Petitioner found a leak at Production Well Morganti #71 in excess of 50,000 ppm. Investigation determined the leak was not emanating from fugitive components associated with the well, but possibly from downhole. The Petitioner filed an initial breakdown report in accordance with District Rule 505 to inform the District of the leak and seek additional time to investigate the source and repair options (Breakdown Report 11746). The leak requires specialty equipment to safely isolate and repair. The

Petitioner anticipates the specialty equipment can be brought onsite within the next two weeks to confirm the leak, perform necessary repairs, and verify completion of the repair.

5. Without Variance coverage, the Petitioner will be in violation of District Rules 325.E.1, 206, Permit to Operate 08096-R11, Condition 11.
6. If, due to reasons beyond the control of the Petitioner, successful repairs are not completed during this Variance period, additional relief will be sought.
7. The Petitioner will monitor and record, on a daily basis, all emissions related to the granting of this Variance. The excess emissions associated with this Variance are unknown at this time.
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 District Rule 506, the occurrence constitutes a breakdown condition, as defined in District Rule 505.
11. Pursuant to District Rule 506, continued operation is not likely to create an immediate threat or hazard to public health or safety.
12. Pursuant to District Rule 506, the requirements for a variance set forth in Health and Safety Code Section 42353 have been met.
13. Pursuant to District Rule 506, the continued operation in a breakdown condition will not interfere with the attainment or maintenance of the national primary ambient air quality standard.
14. Pursuant to Health and Safety Code section 42359.5, "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 continued operation of the Petitioner's facility in violation of District Rules 325.E.1, 206, Permit to Operate 08096-R11, Condition 11 from July 31, 2020 through August 14, 2020, 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, to variance@sbcapcd.org, by August 28, 2020. The report shall include the date compliance was achieved together with the cause of the malfunction, description of the corrective action taken, the dates, times, and actual excess emissions that occurred during the variance period.
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. In accordance with District Fees Rule 210, Schedule F.12.e, the Petitioner shall pay excess emission fees for each additional ton of pollutant emissions or portion thereof allowed as the result of the issuance of this Variance.
5. Each day during any portion of which a violation occurs is a separate offense.
6. The Environmental Protection Agency does not recognize California's Variance Program, therefore, this Variance does not protect the Petitioner from Federal Enforcement actions.

Aug 14, 2020

DATED: _____

Robert Saperstein

Robert Saperstein (Aug 14, 2020 16:53 PDT)

Robert Saperstein, Vice Chair
Santa Barbara County Air Pollution Control District
Hearing Board