

 <p>air pollution control district SANTA BARBARA COUNTY</p>	<b>Case No / Date</b>	<b>2020-21-E</b>	<b>12/23/2020</b>
	<b>Petitioner</b>	<b>Beacon West Energy Group, LLC</b>	
	<b>Permit #</b>	<b>9109-R4</b>	
	<b>Date Rec'd</b>	<b>12/17/2020</b>	
	<b>Time Rec'd</b>	<b>1200 hours</b>	
	<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 )  
 Beacon West Energy Group, LLC for )  
 an Emergency Variance from District )  
 Rules 325.D.1, 359.D.2.b, 206 and )  
 Conditions 9.C.6.b.ii, 9.C.6.b.iii, )  
 9.C.6.b.iv and 9.C.9 of Permit to )  
 Operate 9109-R4.

**H.B. Case No. 2020-21-E**

**VARIANCE FINDINGS**

**AND ORDER**

Beacon West Energy Group, LLC filed a Petition for an Emergency Variance on December 17, 2020. A hearing of the above-entitled matter was held on December 23, 2020. John Garnett and Keith Wenal, represented the Petitioner, Aimee Long represented the Santa Barbara County Air Pollution Control District (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 Platform Houchin located on offshore lease tract OCS-P-0166, approximately 7 miles southeast from the City of Santa Barbara, California.
4. Oil and gas production has permanently ceased operations on Platform Houchin. All wells on the platform are currently shut-in while the facility awaits well plugging and abandonment and ultimately facility decommissioning.

5. On December 16, 2020, the Petitioner discovered a pinhole leak on the piping associated with Well B-36. The Petitioner routed the leak to the flare vent pipe. However, the flare (the emission control device) is not operational because there is no longer a gas supply from shore. In addition, there are no operating cranes, due to being dormant for over a year by the previous owner, to bring propane onto the platform to maintain the flare pilot. Further evaluation is required to determine the status of the crane and its ability to operate. As a result, the pinhole leak is venting Reactive Organic Compound (ROC) emissions from the flare stack directly to the atmosphere without the required emission controls. In order to repair the leak, the well casing must be completely depressurized before the leak can be repaired. The well depressurization will cause ROC's to be emitted directly into the atmosphere because the flare is not operational. Depressurization will take longer than the requested 24-hour breakdown coverage. As a result, an Emergency Variance was sought.
6. Without Variance coverage, the Petitioner will be in violation of Rules 325.D.1, 359.D.2.b, 206 and Conditions 9.C.6.b.ii, 9.C.6.b.iii, 9.C.6.b.iv and 9.C.9 of Permit to Operate 9109-R4.
7. If, due to reasons beyond the control of the Petitioner, successful repairs are not completed during this Variance period, additional relief will be sought.
8. The Petitioner will monitor, calculate 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.
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. The District staff supports the Petition as conditioned below.
11. Pursuant to District Rule 506, the occurrence constitutes a breakdown condition, as defined in District Rule 505.
12. Pursuant to District Rule 506, continued operation is not likely to create an immediate threat or hazard to public health or safety.
13. Pursuant to District Rule 506, the requirements for a Variance set forth in Health and Safety Code Section 42353 have been met.
14. 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.

15. 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 pinhole leak and well depressurization with no emission controls at the Petitioner's facility causing a violation of Rules 325.D.1, 359.D.2.b, 206 and Conditions 9.C.6.b.ii, 9.C.6.b.iii, 9.C.6.b.iv and 9.C.9 of Permit to Operate 9109-R4 from December 17, 2020 through December 31, 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](mailto:variance@sbcapcd.org), by January 15, 2021. 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 or calculated, whichever is greater, excess emissions that occurred during the variance period including the emissions from the pinhole leak, emissions from well depressurization, any emitting equipment used, etc.
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.

DATED: 12-23-2020



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