

 <p>air pollution control district SANTA BARBARA COUNTY</p>	Case No / Date	2025-09-R	07/02/2025
	Petitioner	County Santa Barbara Public Works Department	
	Permit #	ATC 14500-10	
	Date Rec'd	05/30/2025	
	Time Rec'd	1631 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)
County of Santa Barbara Public Works)
Department for a Regular Variance)
from District Rules 328.C.2, C.4, G)
and I.1 and Rule 206, ATC 14500-)
Mod 10, Conditions 9.B.12, 9.C.1.b.i,)
9.C.1.b.ii., 9.C.1.b.iii., 9.C.2.b.ii.,)
9.C.3.b.i., 9.C.3.b.ii., 9.C.3.b.iii.,)
9.C.3.b.iv., 9.C.3.c.i., 9.C.3.c.ii.,)
9.C.3.d.i., 9.C.3.d.ii., 9.C.5.a.ii.,)
9.C.5.a.iii., 9.C.6.a.ii., 9.C.6.a.iii.,)
9.C.6.a.iv., 9.C.7.a.i., 9.C.7.a.iv.,)
9.C.9.a.i., 9.C.9.a.iv., 9.C.9.a.v.,)
9.C.9.b.iii., 9.C.9.b.iv.1.a.,)
9.C.9.b.iv.2.a., 9.C.9.b.viii.,)
9.C.9.b.xvi., 9.C.10.b.i., 9.C.10.b.iii.,)
9.C.10.b.v., 9.C.10.b.xvi.,)
9.C.10.b.xvii., 9.C.10.c.ii., 9.C.10.c.iv.,)
9.C.10.c.viii., 9.C.10.d.i., 9.C.11.a.,)
9.C.11.b.i., 9.C.11.b.iv., 9.C.11.b.v.,)
9.C.11.b.vii., 9.C.11.b.viii.,)
9.C.11.b.ix., 9.C.11.b.x., 9.C.11.b.xi.,)
9.C.11.c.iii., 9.C.11.c.vi., 9.C.11.c.viii.,)
9.C.11.c.ix., 9.C.11.c.x., 9.C.11.c.xi.,)
9.C.11.c.xii., 9.C.13.b.iv., 9.C.13.c.iv.,)
9.C.13.c.v., 9.C.21 (ADF and MRF)
CHP IC engines only), 9.C.22, 9.C.23,)
9.C.34.b., 9.C.34.c., 9.C.34.f.,)
9.C.34.g., and 9.C.34.i.)

H.B. Case No. 2025-09-R

VARIANCE FINDINGS

AND ORDER

Santa Barbara County Public Works Department (Petitioner) filed a Petition for Interim and Regular Variances on May 30, 2025. The request for an Interim Variance, 2025-08-I, was heard on June 9, 2025, and granted by Hearing Board Chair, Terence Dressler. Interim Variance Order 2025-08-I, is in effect from May 30, 2025 through August 27, 2025 (not to exceed 90 days), or the date a decision is made on the Regular Variance, or the date compliance is achieved, whichever occurs first.

A hearing of the above-entitled matter was held on July 2, 2025, in accordance with Health and Safety Code Section 40808. Lindsay Cokeley and Jeanette Gonzales-Knight represented the Petitioner and Aimee Long represented the Santa Barbara County Air Pollution Control District (District) for this Regular Variance 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.

HEARING

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. A nuisance as defined in District Rule 303 is not expected to occur as a result of this Variance.
4. If, due to reasons beyond the control of the Petitioner, compliance is not achieved during this Variance period, additional relief will be sought.
5. District staff supports the Petition as conditioned below.

BACKGROUND

1. The Petitioner operates the equipment described in the Petition at the Santa Barbara County Tajiguas Landfill (Tajiguas Landfill) located at 14470 Calle Real in Goleta, California.
2. The Petitioner receives refuse from the City of Santa Barbara, City of Goleta, unincorporated areas of Montecito and Summerland, rural areas of southern Santa Barbara County, the Santa Ynez Valley and Cuyama Valley.
3. In an effort to extend the life of the Tajiguas Landfill, reduce the amount of material landfilled, increase the recovery rate of recyclable materials, and generate renewable energy, the Tajiguas ReSource Recovery Project (ReSource Center) equipment was installed at the landfill. In addition, SB 1383 required the Tajiguas Landfill to reduce the amount of organic waste disposed of in the landfill by 50% by 2014. It further required a 75% reduction in landfilled organics by 2025.

4. The Petitioner receives municipal solid waste (MSW) in the tipping area inside the Material Recovery Facility (MRF) building at the landfill. The material is subsequently sorted into organics, recyclables, and residue in the material sorting area. Recyclables collected in the materials sorting area are sold to the market while waste residue is landfilled. The sorted organics are placed in the anaerobic digesters to generate biogas in the Anaerobic Digester Facility (ADF). The biogas is treated and combusted in combined heat and power (CHP) internal combustion (IC) engines for power generation, or an enclosed flare (APCD Device ID 388364) located at the ADF. Following biogas generation, the digestate is processed into soil amendments and compost at the Compost Management Unit (CMU).
5. Biogas from the ADF digesters is sent to two CHP IC engines (APCD Device IDs 388360 and 389006) to produce electricity for the grid and for onsite needs. Anerobic digesters are necessary to process organic waste. The CHP IC engines, identified by the Petitioner as engine 300 and engine 400, are equipped with Steuler dual SCR/oxidation catalyst control systems (APCD Device IDs 388361 and 389007). The oxidation catalyst reduces CO and ROC emissions while the SCR system uses urea injection to control NOx emissions. These engines are also equipped with a continuous emissions monitor system (CEMS) and data is telemetered to the District via the Data Acquisition System (DAS).
6. In February 2025, the Petitioner submitted a permit modification application (ATC 14500-14) with requests for new/modified conditions, including throughput limits, operational parameters, monitoring, recordkeeping and reporting requirements to ensure compliance.
7. In March 2025, the District responded to the permit modification (ATC 14500-14) submittal with an incompleteness letter indicating some of the permit modifications will require additional air modeling and potential CEQA review.
8. In April 2025, the Petitioner received a proposal from an air quality consultant, AECOM, to assist with the emission calculations, air modeling, and permit revisions.
9. In May 2025, the Petitioner met with the District to better understand which items can be corrected without revising the air model, thereby expediting the return to compliance.
10. The Petitioner was advised the best way to expedite the requested permit modifications was to remove them from the ATC 14500-14 application and submit a separate permit modification application for those conditions requiring a potential change in the air model and CEQA review.
11. The Petitioner's permit modification application for ATC 14500-14, submitted February 2025, includes the following requested changes:
 - a. Modifications to the hours of operation, total hours, and specific waste throughput limitations (e.g., municipal solid waste/commingled source separated recyclables) at

- the MRF Tipping Area and Material Sorting Areas.
 - b. Modification to the hours of operation, total hours, and specific waste throughput limitations/characterizations (e.g., food/green waste throughputs) at the ADF.
 - c. Operational parameters to reflect actual operating conditions (e.g., units of measure and operational ranges) at the ADF Biofilter and Scrubber.
 - d. Additional time for carbon media changeout at the biogas treatment system at the ADF.
 - e. Increase the ADF flare usage.
 - f. Additional time to determine the CMU emissions, limits and monitoring requirements due to the GORE installation.
12. The Petitioner must continue to operate the facility out of compliance with the permit conditions, until a permit modification can be issued. In addition, there are several items that need to be corrected with new monitoring equipment, existing equipment upgrades, and additional contracts to cover the cost of backup equipment.
13. The Petitioner is also requesting coverage to install new software, hardware, and equipment upgrades are needed to prevent the NOx spikes from occurring at the ADF CHP IC engines.
14. Until these changes can be implemented, the Petitioner has requested variance coverage.

FINDINGS

1. Without Variance coverage, the Petitioner will be in violation of District Rules 328.C.2, C.4, G and I.1 and Rule 206, ATC 14500-Mod 10, Conditions 9.B.12, 9.C.1.b.i., 9.C.1.b.ii., 9.C.1.b.iii., 9.C.2.b.ii., 9.C.3.b.i., 9.C.3.b.ii., 9.C.3.b.iii., 9.C.3.b.iv., 9.C.3.c.i., 9.C.3.c.ii., 9.C.3.d.i., 9.C.3.d.ii., 9.C.5.a.ii., 9.C.5.a.iii., 9.C.6.a.ii., 9.C.6.a.iii., 9.C.6.a.iv., 9.C.7.a.i., 9.C.7.a.iv., 9.C.9.a.i., 9.C.9.a.iv., 9.C.9.a.v., 9.C.9.b.iii., 9.C.9.b.iv.1.a., 9.C.9.b.iv.2.a., 9.C.9.b.viii., 9.C.9.b.xvi., 9.C.10.b.i., 9.C.10.b.iii., 9.C.10.b.v., 9.C.10.b.xvi., 9.C.10.b.xvii., 9.C.10.c.ii., 9.C.10.c.iv., 9.C.10.c.viii., 9.C.10.d.i., 9.C.11.a., 9.C.11.b.i., 9.C.11.b.iv., 9.C.11.b.v., 9.C.11.b.vii., 9.C.11.b.viii., 9.C.11.b.ix., 9.C.11.b.x., 9.C.11.b.xi., 9.C.11.c.iii., 9.C.11.c.vi., 9.C.11.c.viii., 9.C.11.c.ix., 9.C.11.c.x., 9.C.11.c.xi., 9.C.11.c.xii., 9.C.13.b.iv., 9.C.13.c.iv., 9.C.13.c.v., 9.C.21 (ADF and MRF CHP IC engines only), 9.C.22, 9.C.23, 9.C.34.b., 9.C.34.c., 9.C.34.f., 9.C.34.g., and 9.C.34.i.
2. Due to conditions beyond the reasonable control of the Petitioner, requiring compliance would result in either (A) an arbitrary or unreasonable taking of property, or (B) the practical closing and elimination of a lawful business.

Immediate compliance would require the MRF and/or the ADF to shut down and put the ReSource Center in non-compliance with its Material Delivery Agreements (with cities of Santa Barbara, Goleta, Solvang, and Buellton) and other State regulation, such as SB 1383 which requires a 75% reduction of organic waste disposal by 2025.

Based on the current rate of waste being deposited into the landfill, the Petitioner projects the landfill capacity will be reached in January 2026. If the ReSource Center were to close, the expected capacity date of January 2026 would be accelerated and it would cost an additional \$13.4 million per year to haul waste away from the County. This increased cost would be passed onto the end users. Additionally, this increased distance and added truck trips would also result in a large increase in transportation related greenhouse gases.

In addition, if the landfill were to reach capacity due to ceasing operations, the County would still be financially responsible for upholding the contracts regardless of operation status.

3. The closing or taking would be without a corresponding benefit in reducing air contaminants. If the landfill were to close, the waste would be transported to an alternative location. The increased distance and added truck trips would also result in a large increase in the transportation related greenhouse gases.

Alternatively, if the Petitioner were to bury the organic waste rather than routing it to the ADF digesters, there could be an increase in methane surface emissions, accelerated reduction of available landfill space and non-compliance with Senate Bill 1383 organic waste diversion requirements with CalRecycle.

Additionally, the combustion of methane-rich biogas in the ADF flare is more environmentally friendly than letting the biogas vent to atmosphere in the landfill, from a greenhouse gas standpoint.

4. The Petitioner has considered curtailing operations, however, there are significant impacts to curtailing operations. Curtailment would accelerate the projected date of reaching landfill capacity in January 2026.
5. During the period the Variance is in effect, the Petitioner will reduce emissions from the ADF Flare to the maximum extent possible through continued consistent production of biogas that can be combusted in the ADF CHP IC engines at reduced load. Additionally, as the organic inputs to the ADF improve in quality through improved agreements with the MRF operator, Marborg Recovery, more biogas will be produced over time, allowing more consistent ADF CHP IC engine usage and less flare usage.
6. The Petitioner will monitor and maintain records and calculate excess emissions (in lbs) pertaining to ADF flare fuel usage.

THEREFORE, THE HEARING BOARD ORDERS, as follows:

That a Regular Variance be granted for operating the Petitioner's facility in violation of District Rules 328.C.2, C.4, G and I.1 and Rule 206, ATC 14500-Mod 10, Conditions 9.B.12, 9.C.1.b.i., 9.C.1.b.ii., 9.C.1.b.iii., 9.C.2.b.ii., 9.C.3.b.i., 9.C.3.b.ii., 9.C.3.b.iii., 9.C.3.b.iv., 9.C.3.c.i., 9.C.3.c.ii., 9.C.3.d.i., 9.C.3.d.ii., 9.C.5.a.ii., 9.C.5.a.iii., 9.C.6.a.ii., 9.C.6.a.iii., 9.C.6.a.iv., 9.C.7.a.i., 9.C.7.a.iv., 9.C.9.a.i., 9.C.9.a.iv., 9.C.9.a.v., 9.C.9.b.iii., 9.C.9.b.iv.1.a., 9.C.9.b.iv.2.a., 9.C.9.b.viii., 9.C.9.b.xvi., 9.C.10.b.i., 9.C.10.b.iii., 9.C.10.b.v., 9.C.10.b.xvi., 9.C.10.b.xvii., 9.C.10.c.ii., 9.C.10.c.iv., 9.C.10.c.viii., 9.C.10.d.i., 9.C.11.a., 9.C.11.b.i., 9.C.11.b.iv., 9.C.11.b.v., 9.C.11.b.vii., 9.C.11.b.viii., 9.C.11.b.ix., 9.C.11.b.x., 9.C.11.b.xi., 9.C.11.c.iii., 9.C.11.c.vi., 9.C.11.c.viii., 9.C.11.c.ix., 9.C.11.c.x., 9.C.11.c.xi., 9.C.11.c.xii., 9.C.13.b.iv., 9.C.13.c.iv., 9.C.13.c.v., 9.C.21 (ADF and MRF CHP IC engines only), 9.C.22, 9.C.23, 9.C.34.b., 9.C.34.c., 9.C.34.f., 9.C.34.g., and 9.C.34.i., from July 2, 2025 through May 29, 2026, or the date compliance is achieved, whichever occurs first, with the following conditions:

1. Petitioner shall submit monthly written reports to the Hearing Board and District, to variance@sbcapcd.org, starting on July 15, 2025, and on the 15th of every month thereafter for the duration of the variance period. The reports shall include the date the permit modification application was submitted, date the permit modification application was deemed complete, date the permit modification was issued, date the permit modification source compliance demonstration period started, date the repairs were completed, date the equipment returned to service, fuel monitoring records for the ADF flare, and the excess emissions (in lbs) for each month.
2. Petitioner shall submit a final report to the hearing Board and District, to variance@sbcapcd.org, by June 15, 2026, or within 30 days of achieving compliance, whichever occurs first. The report shall include the date the repairs were completed, date the equipment returned to service, fuel monitoring records for the ADF flare, and the excess emissions (in lbs) for this variance period.
3. Petitioner shall monitor, record, and quantify, on a daily basis, all emissions related to the granting of this Variance.
4. By August 15, 2025, petitioner shall submit a permit modification for the item(s) that were removed from the initial ATC Mod 14500-14 submittal, and require air quality modeling and CEQA review.
5. Petitioner shall retain the obligation to comply with all other local, state, and federal regulations not specifically referenced in the Order.
6. 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.

7. In accordance with District Fees Rule 210, 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.
8. The Environmental Protection Agency does not recognize California's Variance Program; therefore, this Variance does not protect the Petitioner from Federal Enforcement actions.
9. Each day during any portion of which a violation occurs is a separate offense.

DATED: _____

Chair
Santa Barbara County Air Pollution Control District
Hearing Board