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|  <p>air pollution control district SANTA BARBARA COUNTY</p> | Case No / Date | 2025-09-M1 | 06/03/2026 |
| | Petitioner | County Santa Barbara Public Works Department | |
| | Permit # | ATC 14500-10 & PT 70/PTO 14500 (upon issuance) | |
| | Date Rec'd | 05/04/2026 | |
| | Time Rec'd | 1353 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, H)
 and I.1 and Rule 206; ATC 14500-)
 Mod 10 Conditions 9.B.12, 9.C.1.b.i,)
 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.b.i., 9.C.5.c.i.,)
 9.C.6.a.iii, 9.C.6.a.iv., 9.C.7.a.i,)
 9.C.7.a.ii., 9.C.7.a.iv, 9.C.9.a.i,)
 9.C.9.a.iv., 9.C.9.b.iii., 9.C.9.b.iv.1.a.,)
 9.C.9.b.iv.2.a., 9.C.9.b.ix, 9.C.9.b.xv.,)
 9.C.9.b.xvi., 9.C.9.c.xiii (ADF CHP IC)
 engines only), 9.C.10.b.i., 9.C.10.b.v.,)
 9.C.10.b.xvi., 9.C.10.b.xvii.,)
 9.C.10.c.iv., 9.C.10.d.i, 9.C.11.a.i.,)
 9.C.11.a.ii., 9.C.11.b.i., 9.C.11.b.iv.,)
 9.C.11.b.v., 9.C.11.b.viii., 9.C.11.b.ix.,)
 9.C.11.b.x., 9.C.11.b.xi., 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.19.a (ADF CHP)
 engines only), 9.C.21 (ADF and MRF)
 CHP IC engines only) 9.C.22, 9.C.34.f)
 (Biofilter Monitoring Plan); and PT)
 70/PTO 14500 Conditions 9.B.12,)
 9.C.2.b.i., 9.C.2.b.iii., 9.C.3.b.ii.,)
 9.C.4.b.i., 9.C.4.b.ii., 9.C.4.b.iii.,)

**H.B. Case No. 2025-09-M1
VARIANCE FINDINGS
AND ORDER**

9.C.4.b.iv., 9.C.4.c.i., 9.C.4.c.ii.,)
9.C.4.c.iii., 9.C.4.d.i., 9.C.4.d.ii.,)
9.C.6.b.i., 9.C.6.c.i., 9.C.7.a.iii.,)
9.C.7.a.iv., 9.C.9.a.i., 9.C.9.a.ii.,)
9.C.9.a.iv., 9.C.10.a.i., 9.C.10.a.iv.,)
9.C.10.b.iii., 9.C.10.b.iv.1.a.,)
9.C.10.b.iv.2.a., 9.C.10.b.ix.,)
9.C.10.b.xv., 9.C.10.b.xvi.,)
9.C.10.c.xiii. (ADF CHP IC engines)
only), 9.C.11.b.i., 9.C.11.b.v.,)
9.C.11.b.xvii., 9.C.11.c.iv., 9.C.11.d.i.,)
9.C.12.a.i., 9.C.12.a.ii., 9.C.12.b.i.,)
9.C.12.b.iv., 9.C.12.b.v., 9.C.12.b.viii.,)
9.C.12.b.ix., 9.C.12.b.x., 9.C.12.b.xi.,)
9.C.12.c.viii., 9.C.12.c.ix., 9.C.12.c.x.,)
9.C.12.c.xi., 9.C.12.c.xii., 9.C.20.a)
(ADF CHP IC engines only), 9.C.22)
(ADF and MRF CHP IC engines only),)
9.C.23, and 9.C.35.f)
(upon issuance))

Santa Barbara County Public Works Department (Petitioner) filed a Petition for Modification of Variance and a Modification of Final Compliance Date for Regular Variance 2025-09-R on May 04, 2026. A hearing of the Modification of Variance and a Modification of Final Compliance Date for Regular Variance was held on June 3, 2026, in accordance with Health and Safety Code section 40808. Lindsay Cokely and Travis Spier represented the Petitioner, and Aimee Long represented the Santa Barbara County Air Pollution Control District (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.

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. On July 2, 2025, the Hearing Board granted Variance Order 2025-09-R, which provides relief through May 29, 2026, or the date compliance is achieved, whichever comes first.
7. Variance Order 2025-09-R, provides relief from the Best Available Control Technology (BACT) emission limits for Anaerobic Digestion Facility (ADF) and Materials Recovery Facility (MRF) combined heat and power (CHP) internal combustion (IC) engines, operational parameters, continuous emissions monitoring system (CEMS) requirements and data telemetry

for the ADF and MRF CHP IC engines, and CEMS excursions until compliance can be achieved.

8. The Petitioner remains in violation and is requesting a Modification of Variance and Modification of Final Compliance date for Variance Order 2025-09-R.

RECENT ACTIVITIES

1. During the existing Variance coverage (2025-09-R), the Petitioner completed the following items:
 - a. Reviewed the original application materials for the project dating back 2013 in order identify the root cause of the issues.
 - b. Thoroughly evaluated the root causes of the equipment operating-parameter discrepancies.
 - c. Invested additional funds into repair and technology upgrades for the engine software.
 - d. Reached out to manufacturers across the globe.
 - e. Applied for Authority to Construct (ATC) 16463, for the Biogas Treatment Project.
2. During the root cause investigation, the Petitioner determined the NOx exceedances were caused by the presence of siloxanes in the biogas, a factor that was not anticipated in the initial design of the project established over ten years ago.
3. Siloxanes typically originate from consumer products such as cosmetics and detergents that oxidize during combustion. This process creates a microcrystalline glass-like material that can foul the Selective Catalytic Reduction (SCR) bricks, rendering them ineffective for controlling NOx emissions.
4. After further evaluation with a third-party vendor, Tetra Tech, it was determined the existing biogas hydrogen sulfide treatment vessels are undersized and lack the specific humidity controls required for effective siloxane removal in addition to their current hydrogen sulfide treatment.
5. To effectively address issues with the biogas, the Petitioner will implement changes to the biogas treatment, which will require a District permit prior to implementation. The proposed changes include installing two separate high-density polyethylene (HDPE) pipelines; a supply line to carry untreated biogas to the landfill gas treatment system (a combination of the existing hydrogen sulfide scrubber and siloxane removal system) and a return line to bring treated mixed gas back to the ADF for combustion in the engines or flare. Untreated biogas sent over to the landfill gas treatment system will utilize the existing hydrogen sulfide treatment system, which the Petitioner has verified can treat the increased load.
6. Additional time is necessary, to properly design, obtain the parts required, and obtain the permits necessary to implement the biogas treatment project.

7. On May 6, 2026, the District issued Draft Part 70/Permit to Operate (PT 70/PTO) 14500, which will convert Authority to Construct (ATC) 14500-10 to a Permit to Operate. The draft PTO is currently within a 45-day draft review period and the final PTO is expected to be issued in July 2026 and will supersede ATC 14500-10. The intention of the requested coverage is to include the Conditions listed in ATC 14500-10 and the corresponding Conditions in PT 70/PTO 14500 (upon issuance) into this Modified Variance Order (2025-09-M1).
8. At this time the Petitioner remains out of compliance with the requirements listed herein. In accordance with Health and Safety Code sections 42356 and 42357, the Petitioner is requesting a Modification of Regular Variance and Modification of Final Compliance Date of Regular Variance 2025-09-R.

FINDINGS

1. Without Variance coverage, the Petitioner will be in violation of District Rules 328.C.2, C.4, G, H and I.1 and Rule 206; ATC 14500-Mod 10 Conditions 9.B.12, 9.C.1.b.i, 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.b.i., 9.C.5.c.i., 9.C.6.a.iii, 9.C.6.a.iv., 9.C.7.a.i, 9.C.7.a.ii., 9.C.7.a.iv, 9.C.9.a.i, 9.C.9.a.iv., 9.C.9.b.iii., 9.C.9.b.iv.1.a., 9.C.9.b.iv.2.a., 9.C.9.b.ix, 9.C.9.b.xv., 9.C.9.b.xvi., 9.C.9.c.xiii (ADF CHP IC engines only), 9.C.10.b.i., 9.C.10.b.v., 9.C.10.b.xvi., 9.C.10.b.xvii., 9.C.10.c.iv., 9.C.10.d.i, 9.C.11.a.i., 9.C.11.a.ii., 9.C.11.b.i., 9.C.11.b.iv., 9.C.11.b.v., 9.C.11.b.viii., 9.C.11.b.ix., 9.C.11.b.x., 9.C.11.b.xi., 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.19.a (ADF CHP IC engines only), 9.C.21 (ADF and MRF CHP IC engines only) 9.C.22, 9.C.34.f (Biofilter Monitoring Plan); and PT 70/PTO 14500 Conditions 9.B.12, 9.C.2.b.i., 9.C.2.b.iii., 9.C.3.b.ii., 9.C.4.b.i., 9.C.4.b.ii., 9.C.4.b.iii., 9.C.4.b.iv., 9.C.4.c.i., 9.C.4.c.ii., 9.C.4.c.iii., 9.C.4.d.i., 9.C.4.d.ii., 9.C.6.b.i., 9.C.6.c.i., 9.C.7.a.iii., 9.C.7.a.iv., 9.C.9.a.i., 9.C.9.a.ii., 9.C.9.a.iv., 9.C.10.a.i., 9.C.10.a.iv., 9.C.10.b.iii., 9.C.10.b.iv.1.a., 9.C.10.b.iv.2.a., 9.C.10.b.ix., 9.C.10.b.xv., 9.C.10.b.xvi., 9.C.10.c.xiii. (ADF CHP IC engines only), 9.C.11.b.i., 9.C.11.b.v., 9.C.11.b.xvii., 9.C.11.c.iv., 9.C.11.d.i., 9.C.12.a.i., 9.C.12.a.ii., 9.C.12.b.i., 9.C.12.b.iv., 9.C.12.b.v., 9.C.12.b.viii., 9.C.12.b.ix., 9.C.12.b.x., 9.C.12.b.xi., 9.C.12.c.viii., 9.C.12.c.ix., 9.C.12.c.x., 9.C.12.c.xi., 9.C.12.c.xii., 9.C.20.a (ADF CHP IC engines only), 9.C.22 (ADF and MRF CHP IC engines only), 9.C.23, and 9.C.35.f (upon issuance).
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.

The situation is beyond the Petitioner's control because the Petitioner recently discovered the NOx exceedances were caused by the presence of siloxanes in the biogas, a factor that was not anticipated in the initial design of the project established over ten years ago.

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.

If the ADF were to shut down, it would also put the Petitioner in non-compliance with the renewable energy agreement with Southern California Edison, which is a financial mechanism partially funding the operations at ReSource Center. Due to the financial constraints for costly hauling and disposal of waste, the Petitioner may be forced to bury the organic waste and the Tajiguas Landfill, exhausting its current capacity ahead of the projected 2038 closure date, with an estimated closure in late 2034.

Closure of the Tajiguas Landfill prior to 2038 would burden the ratepayers by making them pay for debt service for the ReSource Center alongside costs for transportation and disposal of waste at alternative landfills. Additionally, the increased distance and added truck trips would also result in a large increase in transportation related criteria pollutant and greenhouse gas emissions.

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 criteria pollutant and greenhouse gas emissions.

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 addition, curtailment would also put the Petitioner in non-compliance with the renewable energy agreement with Southern California Edison. The financial consequences would ultimately be passed along to the community's ratepayers, compounding the environmental cost with economic impacts.
5. During the period the Variance is in effect, the Petitioner will reduce emissions from the facility by:
 - a. Monitoring the indoor air quality to ensure the operation of the MRF does not cause excess emissions.
 - b. Increase the frequency of the biogas hydrogen sulfide treatment system carbon media change outs.
 - c. Fast track repairs and upgrades to the CHP engine control and SCR systems.

6. The Petitioner will monitor and maintain records and calculate excess emissions (in lbs) using the CEMS data for NOx and CO emissions, fuel meter data, and hour meter data to quantify pollutant emissions from the engines and the ADF flare. In addition, the Petitioner will continue to work with the District to ensure excess emissions of ammonia or hydrogen sulfide from the CMU are reduced to the maximum extent possible.

THEREFORE, THE HEARING BOARD ORDERS, as follows:

That a Modification of Regular Variance and a Modification of Final Compliance Date of Regular Variance 2025-09-R 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.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.b.i., 9.C.5.c.i., 9.C.6.a.iii, 9.C.6.a.iv., 9.C.7.a.i, 9.C.7.a.ii., 9.C.7.a.iv, 9.C.9.a.i, 9.C.9.a.iv., 9.C.9.b.iii., 9.C.9.b.iv.1.a., 9.C.9.b.iv.2.a., 9.C.9.b.ix, 9.C.9.b.xv., 9.C.9.b.xvi., 9.C.9.c.xiii (ADF CHP IC engines only), 9.C.10.b.i., 9.C.10.b.v., 9.C.10.b.xvi., 9.C.10.b.xvii., 9.C.10.c.iv., 9.C.10.d.i, 9.C.11.a.i., 9.C.11.a.ii., 9.C.11.b.i., 9.C.11.b.iv., 9.C.11.b.v., 9.C.11.b.viii., 9.C.11.b.ix., 9.C.11.b.x., 9.C.11.b.xi., 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.19.a (ADF CHP IC engines only), 9.C.21 (ADF and MRF CHP IC engines only) 9.C.22, 9.C.34.f (Biofilter Monitoring Plan); and PT 70/PTO 14500 Conditions 9.B.12, 9.C.2.b.i., 9.C.2.b.iii., 9.C.3.b.ii., 9.C.4.b.i., 9.C.4.b.ii., 9.C.4.b.iii., 9.C.4.b.iv., 9.C.4.c.i., 9.C.4.c.ii., 9.C.4.c.iii., 9.C.4.d.i., 9.C.4.d.ii., 9.C.6.b.i., 9.C.6.c.i., 9.C.7.a.iii., 9.C.7.a.iv., 9.C.9.a.i., 9.C.9.a.ii., 9.C.9.a.iv., 9.C.10.a.i., 9.C.10.a.iv., 9.C.10.b.iii., 9.C.10.b.iv.1.a., 9.C.10.b.iv.2.a., 9.C.10.b.ix., 9.C.10.b.xv., 9.C.10.b.xvi., 9.C.10.c.xiii. (ADF CHP IC engines only), 9.C.11.b.i., 9.C.11.b.v., 9.C.11.b.xvii., 9.C.11.c.iv., 9.C.11.d.i., 9.C.12.a.i., 9.C.12.a.ii., 9.C.12.b.i., 9.C.12.b.iv., 9.C.12.b.v., 9.C.12.b.viii., 9.C.12.b.ix., 9.C.12.b.x., 9.C.12.b.xi., 9.C.12.c.viii., 9.C.12.c.ix., 9.C.12.c.x., 9.C.12.c.xi., 9.C.12.c.xii., 9.C.20.a (ADF CHP IC engines only), 9.C.22 (ADF and MRF CHP IC engines only), 9.C.23, and 9.C.35.f from May 30, 2026 through May 29, 2027, or the date compliance is achieved, whichever occurs first, with the following conditions:

1. The Petitioner shall meet the following Increments of Progress:
 - a. Replace SCR bricks associated with the ADF IC engines by April 30, 2027.
 - b. Conduct source test for the ADF IC engines within 2 weeks of replacing the SCR bricks.
 - c. Respond to District incompleteness letters (if any) for ATC Mod 14500-14, ATC 16463, and the Biogas Treatment Project ATC no later than 120 calendar days after the date of the letter.
2. Petitioner shall submit monthly written reports to the Hearing Board and District, to variance@sbcapcd.org, starting on July 15, 2026, and on the 15th of every month thereafter for the duration of the variance period. The reports shall include a status update on the Increments of Progress listed in item 1 of this Order, date the repairs were completed, date the equipment returned to service, fuel monitoring records for the ADF engines and flare, and the excess emissions (in lbs) for each month.

3. Petitioner shall submit a final report to the hearing Board and District, to variance@sbcapcd.org, by June 15, 2027, or within 30 days of achieving compliance, whichever occurs first. The report shall include date the Increments of Progress listed in item 1 of this Order were completed, date the repairs were completed, date the equipment returned to service, fuel monitoring records for the ADF engines and flare, and the excess emissions (in lbs) for each month and totaled for the entire variance period.
4. Petitioner shall monitor, record, and quantify, on a daily basis, all emissions related to the granting of this Variance.
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