



HEARING BOARD STAFF REPORT

TYPE: REGULAR VARIANCE

CASE NO: 2015-32-R

DATE: December 2, 2015

1.0 **GENERAL INFORMATION:**

- 1.1 **PETITIONER NAME:** Venoco, Inc.
- 1.2 **EQUIPMENT LOCATION:** Petitioner operates the equipment described in the Petition at 7979 Hollister Avenue, Goleta, CA
- 1.3 **PERMIT NUMBER(S):** Part 70/Permit to Operate 7904
- 1.4 **FACILITY NAME/ID:** Ellwood Onshore Facility, FID 00028
- 1.5 **FACILITY DESCRIPTION:** The Ellwood Onshore Facility (EOF) is part of the *Venoco - Ellwood* stationary source (SSID # 01063). The *Venoco - Ellwood* stationary source consists of four facilities: Platform Holly (FID 03105), Beachfront Lease (FID 03035), Seep Containment Device (FID 01065), and Ellwood Onshore Facility (FID 00028). Venoco, Inc. is the sole owner and operator of Ellwood Onshore Facility (EOF).

- 2.0 **REASON FOR THE VARIANCE REQUEST:** The Petitioner is required to operate an odor monitoring station (for hydrogen sulfide) as described in Table 9-7 of Part 70 Permit to Operate 7904-R10. The lease for the property where the station was located terminated on October 31, 2015 due to the property owner's recently approved development plans. The Petitioner has been aware of these development plans since 2008 and has stated that they have been working to procure a new and acceptable location. The attached map and list shows all parcels in the monitoring zone of interest that have been vetted by the Petitioner since 2009. The Petitioner states that there are no property owners in that zone willing to lease space for this activity.

In recent weeks, the District initiated talks with the Superintendent of the Goleta Union School District, which oversees the Ellwood Elementary School. On November 12, 2015, Director Van Mullem and staff met with the Superintendent Banning. The Superintendent expressed a desire to keep an Odor Monitoring station in the monitoring zone of interest. He also noted an interest in leasing out space at the school property, however, that decision needs to be presented to and vetted by the Goleta Union School District Board which does not meet again until January of 2016. The District will continue to assist the Petitioner with discussions with the Superintendent and his Board.

There is one other location just outside of the monitoring zone that has not been denied. It is northeast of Ellwood Onshore Facility (EOF), on the property of the Timbers Restaurant. This location will continue to be examined, despite the fact that it is not within the desired corridor extending from the EOF to Ellwood School. It appears that the Petitioner has exercised due diligence up to this point to try and remain in compliance with their monitoring requirements.

- 3.0 **BACKGROUND:** Variance Order 2015-31-I was approved by Hearing Board Member Donald Ward on October 23, 2015. Coverage for the Interim Variance was granted from October 22, 2015 through January 19, 2016, or the date of decision of the Regular Variance, whichever occurs first. Due to the unknown timeline for procuring a new location for the monitoring station, a Regular Variance was requested.
- 4.0 **PERMITTING HISTORY:** Since the original permitting of EOF, PTO 7904 has been re-evaluated numerous times, with the most recent being in December of 2014.
- 5.0 **COMPLIANCE HISTORY:** The permitted Ambient Air Monitoring Stations have historically been in compliance with District rules and regulations.
- 6.0 **REGULATORY ANALYSIS:** The following permit condition of Part 70 Permit to Operate 7904-R10 is applicable to the variance request:

- **Condition 9.C.17 (Ambient Air Monitoring Stations)**
 - *Venoco shall install and maintain two ambient air monitoring stations, approved by the District, located as described below to monitor meteorological and odorous organic sulfide concentrations in the vicinity of the Ellwood Onshore Facility ("EOF"). The monitoring stations shall be equipped to continuously monitor and telemeter the data identified in Tables 9-6 and 9-7 below to the District in a manner consistent with the District's Ambient Air Monitoring Protocol. Venoco shall connect all ambient and meteorological parameters to the District's central Data Acquisition System (DAS) as documented in Tables 9-6 and 9-7 below.*

Table 9-7. Goleta Storage Facility-Located 10-Meter Meteorological Tower

Ambient Air Monitoring Station	Required Parameters
Goleta Storage Facility 7760 Hollister Avenue Goleta, CA 93117 (location of station approved by District)	<ul style="list-style-type: none"> ▪ Hydrogen Sulfide ▪ Total Reduced Sulfur ▪ Horizontal Wind Speed ▪ Horizontal Wind Direction ▪ Vector Wind Speed ▪ Vector Wind Direction ▪ Sigma Theta (Wind Variation) ▪ Ambient Temperature

- 7.0 **EMISSIONS ANALYSIS:** Excess emissions are not expected as a result of granting 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 a Regular Variance for Venoco, Inc. as listed in the attached draft variance order.

11.0 ATTACHMENTS:

- Attachment 1 – Draft Regular Variance Order 2015-32-R



Mike McKay, Inspector
Compliance Division

11/17/15

Date