OCT # 9 2007

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

MARY ROMAIDIS
CLERK
HEARING BOARD
BAY AREA AIR QUALITY
MANAGEMENT DISTRICT

BEFORE THE HEARING BOARD OF THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT STATE OF CALIFORNIA

| In the Matter of the Application of |) | |
|---|-----|--------------------------------------|
| CHEVRON PRODUCTS COMPANY |) | No. 3541 |
| For a Variance from Regulation 8, Rule 18, Section 304 |) | ORDER GRANTING EMERGENCY VARIANCE |
| | _) | |

The above-entitled matter, being an Application for Variance from the provisions of Regulation 8-18-304, having been filed on September 27, 2007 at 11:14 a.m., and having been considered by the Hearing Board:

THE HEARING BOARD STATES as the reasons for its decision and FINDS as to those matters in which findings are required:

1. Applicant filed this Application for Variance under the Emergency Variance procedures, Hearing Board Rules, Section 2.5. Pursuant to Health and Safety Code Sections 42359 and 42359.5, the Hearing Board determined that this Application properly could be ruled upon without notice and hearing. Prior to making this determination, and in accordance with Hearing Board Rules Section 2.5.d.2, the Hearing Board requested and received a response to this Application from the Air Pollution Control Officer. That response recommended the Emergency Variance be granted because it appears that the T-3910 gasket leak was a sudden and unanticipated

- Applicant operates an oil refinery at 841 Chevron Way, Richmond, CA 94802.
 The subject of this Emergency Variance is a 6500 barrel capacity butane storage sphere, source T-3910.
- 3. On September 25, 2007, during a random inspection by an Air District inspector, it was discovered that the man-way on T-3910 was leaking in excess of 100 ppm. There was no obvious cause for the leak. As soon as the leak was discovered, Applicant immediately tightened the bolts on the flanged connection in an effort to minimize or stop the leak. When Applicant was unable to repair the leak within 24 hours, as required by Regulation 8-18-304.2, Applicant filed for Breakdown Relief with the Air District. As of September 27, 2007, Applicant was still unable to determine the cause of the leak or repair the leak and was unable to comply with the applicable regulation. Therefore, Applicant applied for Emergency Variance relief on September 27, 2007.
- 4. Mark Robinson, Compliance Coordinator, representing the Applicant, estimated this defect can be repaired by October 12, 2007.
- 5. This Variance will not cause injury, detriment, nuisance, or annoyance to any considerable number of persons or to the public, or endanger the comfort, repose, health or safety of any such persons or the public, or cause or have a natural tendency to cause injury or damage to business or property.
- 6. Due to conditions beyond the reasonable control of Applicant, requiring compliance with said Regulation 8-18-304 limiting the emission of air contaminants would result in an arbitrary and unreasonable taking of property and the practical closing and elimination of a lawful business activity of Applicant, without a sufficient corresponding benefit in the reduction of air contaminants. The source (T-3910) has been properly inspected, maintained and serviced and Applicant could not have foreseen that this man-way would leak. Applicant has complied with all inspection requirements and has not detected leaks during previous inspections.
 - 7. Applicant considered curtailing operations in lieu of obtaining a variance, but

cannot do so. Applicant has ceased using T-3190 and is emptying and depressurizing the tank as quickly as is practicable. There are no operations connected to T-3190 that Applicant could curtail or terminate in lieu of obtaining a variance.

- 8. During the period the variance is in effect, Applicant will reduce excess emissions to the maximum extent feasible. Once T-3190 is completely empty, there will be no emissions from the source.
 - 9. The District has not requested Applicant to monitor or quantify actual emissions. THEREFORE, THE HEARING BOARD ORDERS:
- A. A Variance from Regulation 8-18-304 be and is hereby granted from September 27, 2007 to and including October 12, 2007.
- B. Applicant shall re-inspect the man-way gasket on T-3910 on an accelerated schedule. In lieu of the annual inspection schedule in Regulation 8-18-401.6, Applicant shall re-inspect the man-way in accordance with EPA Method 21 no later than November 2, 2007, and provide the Air District inspector with a copy of the inspection findings; including the date the source was inspected and the ppm reading.

DATED: (917 - 5, 2007)

Terry A. Trumbull, Esc