

**FILED**  
DEC 02 2010  
HEARING BOARD  
BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

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

**Lisa Harper**  
Clerk, Hearing Board  
Bay Area Air Quality  
Management District

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

In the Matter of the Application of )  
)  
**CHEVRON PRODUCTS COMPANY** ) No. 3605  
)  
For a Variance from Regulation 8, Rule 5, ) **ORDER GRANTING**  
Section 321.1. ) **EMERGENCY VARIANCE**  
)  
\_\_\_\_\_ )

The above-entitled matter, being an Application for Variance from the provisions of Regulation 8, Rule 5, Section 321.1, insofar as it sets requirements for the primary seals of floating roof tanks storing organic liquids, and requested due to the fact that repair of the primary seal on Tank S-3220 will take longer than the 48-hour repair period allowed under Regulation 8, Rule 5, Section 119.2.3, having been filed at 3:00 p.m. on November 18, 2010, 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.

1                   2. Applicant operates the Richmond Refinery which processes crude oil into  
2 various petroleum products. The Richmond Refinery is a Title V permitted facility, located at 841  
3 Chevron Way, Richmond, CA 94802.

4                   3. On November 16, 2010, during a semi-annual external floating roof seal  
5 inspection performed by an inspection contractor hired by Petitioner, holes were discovered in the  
6 primary seal fabric of Tank 3220.

7                   4. The tank was installed and put into service in 2001, with an expected service life  
8 of 20 years. The primary seal was last inspected in May 2010, and no issues with the primary seal  
9 were observed at that time.

10                  5. The stock in the tank at the time the failed seal was discovered was  
11 approximately 20 feet of sour water with 3 to 5 feet of gas oil on top of the sour water (in order to  
12 prevent light-ends emissions from the sour water). Petitioner determined the tank needed to be  
13 taken out of service in order to repair the seal. Upon this determination, the Petitioner immediately  
14 ceased sending product to the tank, and began pumping out the contents of the tank. The sour  
15 water material requires processing as it is removed from the tank in order to extract pollutants, so  
16 the Petitioner estimates draining will be completed within approximately one and a half weeks.  
17 The tank must then be degassed before the seal can be repaired.

18                  6. More than 48 hours are required for the repair of the seal so Petitioner is unable  
19 to use the limited exemption allowed for under Regulation 8-5-119.2.3. Petitioner requests 30 days  
20 for the repairs to be completed.

21                  7. The Petitioner estimates 18.4 pounds of excess hydrocarbon emissions and 0.15  
22 pounds of toxic benzene emissions will be emitted per day until the tank is emptied and degassing  
23 is completed. The secondary seal of the tank being intact helps mitigate excess emissions resulting  
24 from the primary seal failure.

25                  8. The Petitioner's due diligence in inspecting and promptly taking action upon  
26

1 discovery of the damaged primary seal, the discovery of damaged seals well before the expected  
2 service life of the tank, and the partial mitigation of excess emissions by the secondary seals  
3 indicates good cause has been shown and the failure is an unforeseen emergency.

4           8. This Variance will not cause injury, detriment, nuisance, or annoyance to any  
5 considerable number of persons or to the public, or endanger the comfort, repose, health or safety  
6 of any such persons or the public, or cause or have a natural tendency to cause injury or damage to  
7 business or property.

8           THEREFORE, THE HEARING BOARD ORDERS:

9           A Variance from Regulation 8, Rule 5, Section 321.1 be and is hereby granted from  
10 November 17, 2010 to December 17, 2010.

11           DATED: December 2, 2010

12

13

14

15

16

17

18

19

20

21


22

23

24

25

26

  
\_\_\_\_\_  
Julio A. Magalhães, Ph.D.