BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John J. Bauters and Members

of the Administration Committee

From: Chairperson Valerie J. Armento, Esq., and

Members of the Hearing Board

Date: May 23, 2023

Re: Hearing Board Quarterly Report: January– March 2023

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

This report covers the first calendar quarter (January – March) of 2023.

- Held no hearings;
- Processed one order: and
- Collected a total of \$0 in Hearing Board filing fees (see explanation below)

Below is a detail of Hearing Board activity during the same period:

<u>Docket: 3740 – Western Digital Technologies – Request for Interim and Short-Term Variances</u>

Location: Alameda County; City of Fremont

Regulation(s): Regulation 2, Rule 1, Section 403 (Permits, General Requirements, Permit Conditions), and Permit Condition #23227 Part 11.

Synopsis: Applicant is a semiconductor wafer fabrication facility in Fremont. Applicant sought variance for its A-9 primary thermal oxidizer (Munters IZS-3546-TH 39,200 SCFM, 4.5 MMBtu/hr maximum capacity), which abates semiconductor fabrication activities at the facility at S-28 (Semiconductor Fab Area). S-28 was considered essential to Applicant's business, as this is where the semiconductor fabrication operations are conducted. Applicant also claimed that, pursuant to Plant #15565 ATC #30355 Condition #23227 Part 7, S-28 could not be operated unless abated by A-9 (primary regenerative thermal oxidizer, or RTO) or A-6 (backup RTO), making A-9 also essential to Applicant's business.

From Applicant:

To date, Western Digital has been unable to demonstrate compliance with A-9's permitted nitrogen oxide (NOx) limit from authority to Construct (ATC) #30355 Condition #23227 Part 9. An initial stack test was conducted in September (test report #22267) and a follow-up test was conducted in December (test report #22385). As a result, Western Digital is working with the Air District to evaluate alternative compliance options or agree to new NOx limits. At the suggestion of the Air District, the first compliance option Western Digital would like to pursue is to conduct a NOx and volatile organic compounds (VOC) stack test on A-9 to evaluate:

- 1) Whether A-9 can be operated at temperatures lower than 1350F while still complying with VOC limits in ATC #30355 Condition #23227 Part 8, and
- 2) Whether operating A-9 at lower temperatures will reduce thermal NOx emissions and allow A-9 to operate in compliance with the ATC #30355 Condition #23227 Part 9 NOx limit. Western Digital is requesting this variance to obtain the Air District's approval to prepare for and conduct this A-9 stack test and temporarily operate A-9 below the temperature limit of 1350 degrees F in ATC #30355 Condition #23227 Part 11.

Western Digital is requesting this variance to prepare for and conduct a stack test while operating below the A-9 temperature limit of 1350 degrees F in ATC #30355 Condition #23227 Part 11. This stack test is being proposed to evaluate:

- 1) Whether A-9 can be operated at temperatures lower than 1350F while still complying with VOC limits in ATC #30355 Condition #23227 Part 8, and
- 2) Whether operating A-9 at tower temperatures will reduce thermal NOx emissions and allow A-9 to operate in compliance with the ATC #30355 Condition #23227 Part 9 NOx limit.

It is currently beyond Western Digital's control to comply with the A-9 NOx emissions limits in ATC #30355 Condition #23227 Part 9 because A-9 already employs our vendor's best available burners for reducing NOx emissions.

Western Digital first became aware that a NOx and VOC A-9 stack test should be conducted (at temperatures lower than 1350 F) when the Air District suggested this approach to Western Digital via email on January 24th, 2023.

Since becoming aware that a NOx and VOC A-9 stack test should be conducted (at temperatures lower than 1350 F) to evaluate NOx compliance options, Western Digital had a conference call with the Air District on February 8th to discuss the potential stack test and other alternative compliance options or NOx limits.

Since becoming aware that A-9 does not meet the NOx emissions limits, Western Digital has reached out to their scrubber vendor (Munters) to evaluate retrofit options, has been in consistent communication with the Air District to identify alternative compliance options and understand the basis for the NOx limit in ATC #30355 Condition #23227 Part 9, and has engaged an air quality consultant to provide expert support in this matter.

Curtailing operations is not an applicable alternative in lieu of this variance. If this variance is not granted, Western Digital simply would not conduct the proposed source test. During preparation for and execution of the A-9 VOC and NOx stack test, Western Digital is proposing to temporarily operate A-9 at temperatures below the limit of 1350 degrees F in ATC #30355 Condition #23227 Part 11.

Requested Period of Variance: February 28, 2023, to "date to be scheduled once variance is granted."

Estimated Excess Emissions: None.

Fees collected this quarter: \$0.

Status: Application for Interim and Short-Term Variances filed by Applicant on February 22, 2023; Applicant requested invoice for filing fee on February 23, 2023; Air District Hearing Board Clerk emailed Applicant the breakdown of filing fees based on the variance types selected by Applicant on February 23, 2023; (having not yet paid filing fee) Applicant requested cancellation of the hearing/dismissal of the matter on February 28, 2023; Order for Dismissal filed on March 3, 2023.

The reason given by Applicant for cancellation of hearing/dismissal of the matter was, "Western Digital was able to perform stack testing on the VOC (A-9) without operating below the temperature limit (1350 degree F) in ATC#30355 Permit Condition #23227 Part 11."

THE HEARING BOARD ORDERED:

The above-entitled matter was filed on February 22, 2023. Applicant submitted a request to withdraw application on February 28, 2023. FOR GOOD CAUSE, in accordance with Section 6.8 of the Hearing Board Rules, the HEARING BOARD ORDERS that the Application be and is hereby dismissed and all future hearings are canceled.

Respectfully submitted,

/S/ Valerie J. Armento

Valerie J. Armento, Esq. Chair, Hearing Board

Prepared by: <u>Marcy Hiratzka</u> Reviewed by: <u>Vanessa Johnson</u>