

FILED

SEP - 3 2004

HEARING BOARD
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)	
)	
TESORO REFINING & MARKETING)	No. 3477
)	
For a Variance from Regulation 8, Rule 18, Section 305)	ORDER GRANTING <u>EMERGENCY VARIANCE</u>
)	

The above entitled matter, being an Application for Variance from the provisions of Regulation 8, Rule 18, Section 305, having been filed on August 31, 2004, at 1:05 p.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 the Applicant has demonstrated that the inspection and maintenance

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1 has been performed on the valve per District requirements; that the emissions over the variance
2 period will be de minimus (0.005 pounds per day); and that the violation has occurred because of an
3 unforeseen breakdown.

4 2. Applicant operates a petroleum refinery located at 150, Solano Way, Martinez,
5 California 94553.

6 3. On August 17, 2004 during a routine fugitive emission inspection, the
7 Applicant's technicians discovered that a pressure relief valve located in the Alkylation Plant was
8 leaking in excess of the 500 ppm allowable emission standard. As a result, Applicant was unable to
9 comply with the applicable Regulation 8, Rule 18, Section 305. The Applicant discussed the
10 fugitive emissions leak with the District Enforcement Director and staff who suggested that the
11 Applicant file an Application for an Emergency Variance. The Applicant has performed routine
12 fugitive emission inspections on a quarterly basis with no prior excess emissions detected in over
13 five years of inspections, as indicated in the inspection records submitted by the Applicant along
14 with the Application for Emergency Variance.

15 There is no present method for the Applicant to isolate the pressure relieve valve in
16 order to take it out of service for repair without shutting down the entire Alkylation unit. The
17 valve is currently leaking excess fugitive hydrocarbons at a rate of 0.005 pounds per day VOC.
18 During discussions with the District's Enforcement staff, it was determined that it would be better
19 to continue operating the unit with the leaking pressure relief valve due to the small level of excess
20 emissions (0.005 pounds per day).

21 4. In order to mitigate excess emissions, the Applicant initially cleaned the valve to
22 determine the leak rate above background emissions, and tried to lower the leak rate by lowering
23 the tower pressure. This process was unsuccessful in mitigating the minor leak. The Applicant
24 performed a mass emissions testing to determine the mass emissions rate. A comparison of
25 emissions was made between continuing to operate the unit with the leaking pressure relief valve,
26 and shutting it down, repairing the valve and starting it up again. It was determined with District

1 staff that due to the very small mass emissions leak, it was better to continue to operate the unit
2 with the leaking valve.

3 5. Christina H. McDowell, Air Monitoring Engineer, Tesoro Refining and
4 Marketing, and Bruce C. Paltenghi of Watrous, Ryan, Langley, Bruno & Paltenghi, representing
5 the Applicant, estimated that the leaking pressure relief valve from the Alkylation Plant can be
6 placed on the turnaround list for repairs by September 12, 2004, once the other leaking pressure
7 relief valve at 5 Gas Plant has been taken out of service for turnaround repair on or about
8 September 9, 2004.

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

13 7. Applicant considered curtailing operations in lieu of obtaining a variance, but
14 cannot do so. There is no method currently available to curtail the small excess emissions from the
15 leak without shutting down the entire Alkylation Plant, which would cause a significant hardship.

16 8. During the period the variance is in effect the excess emissions will be de minimus
17 (0.005 pounds per day). The District has not requested Applicant to monitor or quantify actual
18 emissions.


19 9. The Hearing Board determined that the Applicant has demonstrated Good
20 Cause for the following reasons: (A) that the District's Enforcement staff has been working with
21 the Applicant from the time the failure was discovered and that the staff recommended that the
22 Applicant file for an Emergency Variance; (B) that the failure was a result of an unforeseen
23 breakdown; (C) that the District Enforcement staff determined that the inspection and maintenance
24 was up to date per District requirements; and (D) that the District staff recommended to the
25 Hearing Board that the Emergency Variance be granted.

26 THEREFORE, THE HEARING BOARD ORDERS:

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A Variance from Regulation 8, Rule 18, Section 305 be and is hereby granted from
September 1, 2004 to and including September 12, 2004.

DATED: September 2, 2004.


Allan R. "Bob" Saxe