

FILED

APR 22 2016

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 CO.	)	No. 3687
	)	
For Emergency Variance from Regulation	)	ORDER GRANTING
8, Rule 5, Sections 304, 321.1, 321.3, 322.1,	)	EMERGENCY VARIANCE
322.3, and 322.5.	)	
	)	

The above-entitled matter, being an Application for Emergency Variance (EV) from the provisions of Regulation 8, Rule 5, Sections 304 (Requirements for External Floating Roof Tanks), 321.1 (Primary seal requirements—holes, tears, or other openings), 321.3 (Metallic-shoe-type seal requirement), 322.1 (Secondary seal requirements—holes, tears, or other openings), 322.3 (Secondary seal requirements-maximum gap), and 322.5 (Secondary seal requirements—seal gap requirements), was filed on April 11, 2016 after initial contact by telephone at 9:07 a.m. on April 8, 2016, 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:

A. Applicant filed an application under the EV procedures, Hearing Board Rules, Section 2.5. Pursuant to Health and Safety Code Sections 42359 and 42359.5, and 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 Executive Officer/Air Pollution Control Officer for the Bay Area Air Quality Management District (Air District).

B. Applicant operates a Title V refinery that refines crude oil and intermediates for gasoline and diesel fuel located at 841 Chevron Way, Richmond, CA 94801.

1 C. Applicant, on April 6, 2016, discovered a portion of the primary and secondary rim  
2 seals on external floating roof tank T-3197, which contained naphtha, were damaged. There was  
3 no indication of rim seal problems at the last inspection of T-3197 and the tank has a regular  
4 inspection schedule. Once damage to the seals was discovered, Applicant acted promptly to stop  
5 product from entering or leaving the tank, informed the Air District of the problem, and injected  
6 construction foam to suppress excess VOC emissions from the damaged section of the tank and will  
7 use fire foam to reduce excess VOC emissions during decommissioning.

8 D. Applicant requested a variance period of April 8, 2016, at 9:00 a.m., to April 18,  
9 2016, (10 days) and estimates the following excess emissions during that period:

10 Hydrocarbon 10 lbs/day

11 E. There would be no corresponding benefit in reducing air contaminants at the  
12 Applicants estimate of 10 lbs./day of excess VOC emissions.

13 F. The Applicant meets the good cause standard for issuance of an EV based on  
14 Findings C through E.

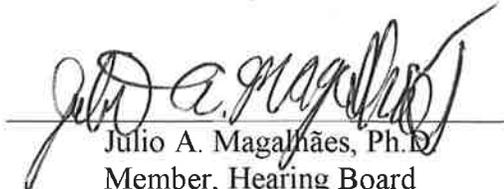
15 **THEREFORE, THE HEARING BOARD ORDERS:**

16 An Emergency Variance from Regulation 8, Rule 5, Sections 304, 321.1, 321.3, 322.1,  
17 322.3, and 322.5, be and is hereby granted from April 8, 2016 at 9:00 a.m. to the earlier of 11:59  
18 p.m. on April 24, 2016 or date when tank is successfully brought out of service, subject to the  
19 following conditions:

- 20 1. Applicant will pay excess emission fees based on 10 pounds/day x number of days out  
21 of compliance.  
22 2. Applicant will promptly inform District when tank is out of service.  
23 3. Applicant will promptly inform District when cause of this incident has been  
24 determined.

25  
26 DATE:

April 22, 2016

  
Julio A. Magalhães, Ph.D.  
Member, Hearing Board

BEFORE THE HEARING BOARD  
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**OCT 04 2016**

HEARING BOARD  
BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

In the Matter of the Application of )

CHEVRON PRODUCTS CO )

For Emergency Variance from Regulation 8, )  
Rule 5, Sections 304, 321.1, 321.3, 322.1, )  
322.3, and 322.5. )

NO. 3687

CERTIFICATE OF SERVICE

STATE OF CALIFORNIA )

City and County of San Francisco )

ss.

I, Marcy Hiratzka, do hereby certify under penalty of perjury as follows:

That I am a citizen of the United States, over the age of eighteen years and not a party to the above entitled action; that I served a true copy of the attached Order Granting Emergency Variance on:

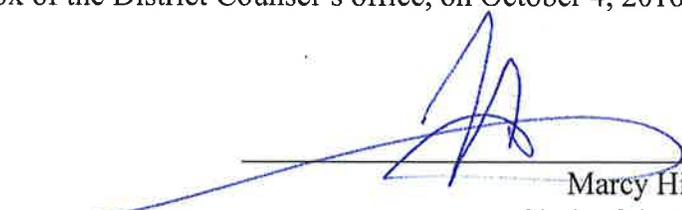
**Christopher H. Norton**  
**Attorney**  
**Latham & Watkins LLP**  
**650 Town Center Drive, 20<sup>th</sup> Fl.**  
**Costa Mesa, CA 92626-1925**

by depositing same in the United States first class mail on October 4, 2016; and on

**Brian C. Bunger**  
**District Counsel**  
**Bay Area Air Quality Management District**  
**375 Beale Street, Suite 600**  
**San Francisco, CA 94105**

by hand-delivery deposit of same in the in-box of the District Counsel's office, on October 4, 2016.

DATED: October 4, 2016

  
\_\_\_\_\_  
Marcy Hiratzka  
Clerk of the Boards