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

In the Matter of the Application of

SHELL OIL PRODUCTS

For Emergency Variance from Regulation 8,
Rule 5, Section 322.1 (Secondary Seal
Requirements.)

No. 3696

ORDER DENYING
EMERGENCY VARIANCE

The above-entitled matter, being an Application for Emergency Variance (EV) from the provisions of Regulation 8, Rule 5, Section 322.1, was filed on November 18, 2016 by Shell Oil Products (Applicant) after initial contact by telephone at 2:32 p.m. on November 17, 2016, and having been considered by the Hearing Board,

THE HEARING BOARD STATES as the reasons for its decision and FINDS:

A. Applicant filed this Application for Variance under the EV procedures, and Hearing Board Rules, Section 2.5, pursuant to Health and Safety Code Sections 42359 and 42359.5, which provides that this Application properly could be ruled upon without notice and hearing. In accordance with Hearing Board Rules section 2.5.d.2, upon receipt of the application, the Clerk promptly requested and timely received a response to this Application from the Executive Officer/Air Pollution Control Officer (APCO) for the Bay Area Air Quality Management District (Air District). The response recommended the EV be denied.
B. Applicant operates storage tank 800 (Source # S-2), an internal floating roof tank storing premium unleaded gasoline, located at 2165 O'Toole Ave, San Jose CA 95131.

C. Applicant is investigating the cause of the tears in the secondary seal on the floating roof from Source # S-2 which were noticed upon quarterly visual inspection on November 17, 2016. The seal passed inspection in August 2016. Repairs are scheduled to begin on November 30, 2016.

D. Applicant requested a variance period of November 17, 2016, at 2:30 p.m., to December 17, 2016, at 2:30 p.m. (30 days). LEL measurements during tank inspection showed 0% LEL; excess emissions are considered negligible.

E. Applicant's request does not meet the good cause standard for an EV, as non-compliance was not unforeseeable and the violation was not beyond Applicant's reasonable control.

THEREFORE, THE HEARING BOARD ORDERS:

The Application for EV from Regulation 8, Rule 5, Section 322.1 is denied, as the request does not meet the good cause standard for issuance of an EV.

DATE: December 2, 2016

[Signature]
Peter Chiu, M.D., P.E.
Hearing Board Member

ORDER DENYING EMERGENCY VARIANCE
BEFORE THE HEARING BOARD
OF THE
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
STATE OF CALIFORNIA

In the Matter of the Application of )
SHELL OIL PRODUCTS ) No. 3696
For Emergency Variance from Regulation 8, ) CERTIFICATION OF SERVICE
Rule 5, Section 322.1 (Secondary Seal )
Requirements.)

STATE OF CALIFORNIA ) ss.
City and County of San Francisco )

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; and that I served a true and correct copy of the attached Order Denying Emergency
Variance on:

<table>
<thead>
<tr>
<th>Ms. Theresa Geijer</th>
<th>Mr. Eric Hanson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Advisor</td>
<td>Bay Area Terminal Manager</td>
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<tr>
<td>Shell Oil Products</td>
<td>Shell Oil Products</td>
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<tr>
<td>2555 13th Avenue SW</td>
<td>2165 O'Toole Avenue</td>
</tr>
<tr>
<td>Seattle, WA 98134</td>
<td>San Jose, CA 95131</td>
</tr>
</tbody>
</table>

by depositing same in the United States certified mail, return receipt requested, and via email, on
December 7, 2016; and on

Ms. Susan Adams, Assistant Counsel
Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105

via email and by hand-delivery deposit of same in the in-box of the District Counsel’s office, on
December 7, 2016.

Marcy Hiratzka
Clerk of the Boards

CERTIFICATE OF SERVICE - ORDER DENYING EMERGENCY VARIANCE