

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson David Hudson and Members  
of the Executive Committee

From: Chairperson Valerie J. Armento, Esq., and Members  
of the Hearing Board

Date: January 23, 2018

Re: Hearing Board Quarterly Report: October – December 2017

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RECOMMENDED ACTION

None; receive and file.

DISCUSSION

During the fourth calendar quarter of 2017 (October - December), the Hearing Board:

- Held one Hearing; and
- Processed a total of two Orders; and
- Collected a total of \$6,906.00 in filing fees.

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

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**Location:** Sonoma County; City of Petaluma

**Docket:** 3698 - APCO vs. Spring Hill Jersey Cheese, Inc., et al – *Accusation*

**Regulation(s):** Regulation 2, Rule 1; and Regulation 9, Rule 7

**Synopsis:** Complainant was informed and believed and thereon alleged that since 2004, Respondents had owned or been operating a facility in Petaluma, California without a District permit to operate two boilers and a milk dryer required pursuant to District Regulation 2, Rule 1, despite knowing about this requirement. Further, despite the prohibition to do so, Respondents had been operating the boilers, which violated requirements of District Regulation 9, Rule 7. Complainant sought an order that Respondents cease operating the unpermitted and non-compliant equipment until they complied with District Regulation 2, Rule 1 and Regulation 9, Rule 7.

**Status:** Accusation filed on February 28, 2017; Pre-Hearing Conference was scheduled for March 28, 2017, but was cancelled due to a schedule conflict of the Respondent; Hearing held on April 18, 2017; Stipulated Conditional Order for Abatement filed on April 19, 2017, requiring Respondent to:

- install new, or retrofit existing boilers at the Facility that comply with all applicable requirements of District Regulation 9, Rule 7 by September 30, 2017; and
- complete all necessary tasks to obtain a permit to operate the Facility, including Facility boilers, which permit shall comply with District permitting requirements, including those set forth in Regulation 2, Rule 1, by September 30, 2017; and
- operate the Facility in accordance with a District permit to operate and in accordance with District Regulation 9, Rule 7, by October 2, 2017.

A Continued Hearing was scheduled for October 24, 2017, but Respondent was unable to attend, due to travel delay beyond his control, so Continued Hearing was postponed until November 28, 2017; Complainant experienced medical emergency on November 28, 2017, so Continued Hearing was moved to January 9, 2018.

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**Location:** Contra Costa County; City of Antioch

**Docket:** 3701 – APCO vs. Bridgehead Marine Services LLC, et al - *Accusation*

**Regulation(s):** Regulation 2, Rule 1

**Synopsis:** Respondents have owned or operated a facility in Antioch, California, where they conduct a boat painting operation using solvent evaporating sources, for which they have held a District permit to operate pursuant to District Regulation 2, Rule 1. Since at least January 2014, Respondents have been operating the facility without a valid or current permit, despite their knowledge of the permit requirements. Complainant seeks an order that Respondents cease conducting these operations until they obtain a District permit to do so.

**Status:** Accusation filed on August 29, 2017; Hearing scheduled for October 17, 2017; on October 3, 2017, Complainant filed Request to Dismiss Action; Order for Dismissal filed on October 9, 2017.

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**Location:** Contra Costa County; City of Richmond

**Docket:** 3702 – Chevron Products Company – *Request for Interim/Regular Variance*

**Regulation(s):** Regulation 2, Rule 1, Section 307; and Regulation 2, Rule 6, Section 307

**Synopsis:** In March of 2017 Chevron discovered that a furnace at its Richmond oil refinery was intermittently failing to comply with Air District-imposed emission limits for Nitrogen Oxides and Carbon Monoxide. Chevron immediately began trouble-shooting and tried substituting new burners in the furnace but was not able to solve the problem. Chevron sought a variance that would enable it to continue operating the furnace while it searched for a technical solution. The Air District and Chevron were subsequently able to negotiate an agreement allowing Chevron to continue operating while switching the furnace to natural gas, thereby at least temporarily avoiding the need for a variance. The negotiated agreement is being provided to the Hearing Board for informational purposes.

**Status:** Applicant submitted application for interim/regular variance on October 30, 2017; Interim Variance Hearing originally scheduled for January 16, 2018, and Regular Variance Hearing originally scheduled for January 23, 2018; Interim Variance Hearing rescheduled for January 23, 2018, and Regular Variance Hearing originally scheduled for February 13, 2018.

**Period of Variance:** October 27, 2017 to October 28, 2018

**Estimated Excess Emissions:** 1.5 lbs/day of NOx (nitrogen oxides); 8 lbs/day of CO (Carbon Monoxide) (net emissions after mitigation)

**Fees collected this quarter:** \$6,906.00

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**Location:** Santa Clara County; City of Milpitas

**Docket:** 3703 – APCO vs. Arif Rana, et al - *Accusation*

**Regulation(s):** Regulation 2, Rule 1, Section 302

**Synopsis:** Respondents own or operate a gasoline dispensing facility in Milpitas, California, for which a District permit to operate is required pursuant to District Regulation 2, Rule 1. Complainant alleges that Respondents are conducting gasoline dispensing operations at this facility knowingly without a current or valid District permit to do so, despite Complainant's prior efforts to end the violation through September 1, 2017 through a prior abatement action before this Hearing Board and a judgment from Santa Clara County Superior Court in 2016. Complainant seeks an order that Respondents cease violation of District Regulation 2, Rule 1 continuing as of September 1, 2017.

**Status:** Accusation filed on December 29, 2017; Hearing scheduled for February 6, 2018.

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Respectfully submitted,



Valerie J. Armento, Esq.  
Chair, Hearing Board

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