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6	Attorneys for Petitioner Chevron Products Company	
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8	BEFORE THE HEARING BOARD OF THE	
9	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT	
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11	In the Matter of	Case No. 831-402
12	CHEVRON PRODUCTS COMPANY,	DECLARATION OF ANDRE WEST
13	[Facility I.D. No. 800030]	FOR CHEVRON PRODUCTS COMPANY TO THE HEARING BOARD
14	Petitioner,	Date: June 6, 2024
15	VS.	Time: Consent Calendar
16	SOUTH COAST AIR QUALITY MANAGEMENT	
17	DISTRICT,	
18	Respondent.	
19		
20	Petitioner Chevron Products Company ("Chevron") hereby submits this Declaration of	
21	Andre West, HSE Environmental Compliance Specialist, to the Hearing Board:	
22	1. Chevron owns and operates a refinery located at 324 W. El Segundo Boulevard,	
23	El Segundo, California ("Refinery"). The Refinery is a major producer of fuel, refining crude oil	
24	and intermediates for gasoline, diesel and jet fuel.	
25	2. Chevron will be in violation of District Rules 203(b), 2004(f)(1) and 3002(c)(1)	
26	because such District Rules require Chevron to comply with all Facility Permit conditions, and	
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Chevron will not be able to do so when the subject equipment is taken out of service for maintenance and repairs.

- 3. A copy of the relevant sections of the facility RECLAIM Permit No. 800030, dated January 16, 2024, are attached to the Petition as <u>Exhibit 1</u>.
- 2. The V-3 and V-4 Caustic Scrubbers ("Caustic Scrubbers") have experienced degradation and require repair. The repairs cannot be performed while the Caustic Scrubbers are in service. Chevron cannot complete the necessary repairs and remain in compliance with the Facility Permit because permit conditions require the operation of the Caustic Scrubbers.
- 3. As Chevron needs to temporarily pause operation of the Caustic Scrubbers to perform the repairs, and as Facility Permit Condition No. C8.8 and Administrative Condition No. 2 require Caustic Scrubber operation, Chevron will be in violation of District Rules 203(b), 2004(f)(1) and 3002(c)(1), which require compliance with permit conditions.
- 4. Compliance is beyond Chevron's reasonable control. The Caustic Scrubbers have experienced degradation and need to be repaired. The subject equipment is at risk of failure at this time based on recent, routine inspections. If the work is not performed, then a sudden and unforeseen shutdown may occur due to corrosion and operational use, which would result in the subsequent curtailment or shutdown of other Refinery units. Chevron has performed prior periodic repairs to the Caustic Scrubbers based on their condition—inspecting, maintaining, and repairing the Caustic Scrubbers in November 2014 pursuant to a Short Variance from the District (Case No. 831-373). Accordingly, the need for the variance is not the product of operator error or neglect as the subject equipment has been properly inspected and maintained.
- 5. Permit Condition C8.8 states, in part, that the operator shall use this equipment in such a manner that the flow rate being monitored, as indicated below, is not less than 10 gpm. Administrative Condition No. 2 requires the operator to ensure all proper operation of equipment. District Rules 203(b), 2004(f)(1) and 3002(c)(1) require compliance with all permit conditions. Chevron will not be able to operate the Caustic Scrubbers in compliance with all applicable rules and permit conditions while the repair is being performed, as there is US-DOCS\(\frac{150020603.1}{20020603.1}\)

no way to complete the Caustic Scrubber repairs without the units being offline. A variance is therefore needed to perform the necessary repairs at the Caustic Scrubbers.

- 6. Denial of the variance would cause significant harm to Chevron in that denial could force Petitioner to shut down and then restart certain Refinery process units while the repairs are performed. The shutdown of the Refinery would result in a financial penalty to Chevron of approximately \$1,00,000 per day in lost production and sales. In addition, the shut down and restart of the Refinery units would result in flaring and air emissions that would otherwise not occur if the variance is granted. As such, denial of the variance would result in an increase in air emissions and financial impacts to Chevron that would be unreasonable and unavoidable.
- 7. The closing or taking would be without a corresponding benefit in reducing air contaminants. There will be no excess emissions in this matter. A District-permitted Envent Scrubber will be connected at all times during the outage to control emissions while the work is being performed. The Envent Scrubber is guaranteed to be at least as effective at controlling emissions as the Caustic Scrubbers.
- 8. If the work is not performed, and the subject equipment were to suddenly fail, then Petitioner may be required to shut down and restart the Refinery units, resulting in flaring and air emissions. An upset condition could result in safety risks and potential environmental impacts. The shutdown of the Refinery if the variance were not granted could also result in increased flaring and air emissions due to shut down and subsequent startup of the Refinery. Alternatively, if the variance is granted, Chevron does not anticipate any excess emissions. Moreover, Chevron expects that the reliability and flexibility of Caustic Scrubber operations will be improved with the project. As part of the maintenance and repairs, Chevron plans to add level transmitters to the Caustic Scrubbers. Accordingly, the maintenance work will give operations a better indication of the caustic level in the scrubbers and will allow for more reliable operation of the pumps.
- 9. Chevron has considered the option of curtailing or terminating operations in lieu of obtaining a variance. Chevron cannot operate the subject equipment and remain in US-DOCS\\150020603.1

compliance with permit conditions while the Caustic Scrubbers are being repaired. Achieving compliance through curtailment is not an option in this matter.

- 10. As mentioned above, during the period that the variance is in effect, there will be no excess emissions. Nonetheless, Chevron agrees to reduce excess emissions to the maximum extent feasible by complying with the conditions of the Order. In contrast, if the variance is not granted, the shut down and restart of the Refinery units due to an upset condition would result in flaring and air emissions that would otherwise not occur if the variance is granted.
- Chevron will monitor emissions during the variance period. The Refinery is equipped with Continuous Emissions Monitoring Systems (CEMS) to continuously monitor, record and report to the District air emissions from the Refinery. The emissions monitoring data will be provided to the District upon request.
- During the duration of the repair, Chevron shall have the emissions of hydrogen sulfide (H2S) from the permitted portable scrubber monitored once per day by the vendor using Colorimetric Detector Tubes.
- 13. In addition, Chevron shall have the emissions of volatile organic compounds (VOCs) from the permitted portable scrubber monitored once per shift by the vendor during the variance period.
- 14. Chevron shall make its monitoring records available to the District for inspection upon request.

FOR CHEVRON PRODUCTS COMPANY:

Dated: May 31, 2024

Andre West

HSE Environmental Compliance Specialist

Chevron Products Company

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