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8 Attorneys for Petitioner
9 Chevron Products Company

10
11 **BEFORE THE HEARING BOARD OF THE**
12 **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

13 In the Matter of

14 CHEVRON PRODUCTS COMPANY,

15 [Facility I.D. No. 800030]

16 Petitioner,

17 vs.

18 SOUTH COAST AIR QUALITY MANAGEMENT
19 DISTRICT,

20 Respondent.

Case No. 831-401

DECLARATION OF ANDRE WEST
FOR CHEVRON PRODUCTS
COMPANY TO THE HEARING BOARD

Date: April 18, 2024
Time: Consent Calendar

21 Petitioner Chevron Products Company (“Chevron”) hereby submits this Declaration of
22 Andre West, HSE Environmental Compliance Specialist, to the Hearing Board:

23 1. Chevron owns and operates a refinery located at 324 W. El Segundo Boulevard,
24 El Segundo, California (“Refinery”). The Refinery is a major producer of fuel, refining crude oil
25 and intermediates for gasoline, diesel and jet fuel.

26 2. Chevron will be in violation of District Rules 203(b), 2004(f)(1) and 3002(c)(1)
27 because such District Rules require Chevron to comply with all Facility Permit conditions, and

1 Chevron will not be able to do so until it has completed repairing the caustic flow meter that has
2 malfunctioned.

3 3. A copy of the relevant sections of the facility RECLAIM Permit No. 800030,
4 dated January 16, 2024, are attached to the Petition as Exhibit 1.

5 2. The caustic flow meter on the C-2180 Caustic Scrubber, a component of
6 Chevron's fuel gas treating plant, has malfunctioned and is currently nonoperational, so
7 Chevron is currently in violation of the provision of Permit Condition No. C8.16 requiring
8 flow metering to be performed at all times, as well as the provisions of Administrative
9 Condition No. 2 requiring the operator to maintain all equipment and ensure the proper
10 operation of the equipment. Accordingly, Chevron is in violation of Chevron will be in
11 violation of District Rules 203(b), 2004(f)(1) and 3002(c)(1), which require compliance with
12 permit conditions.

13 3. Permit Condition No. C8.16 requires that the Caustic Scrubber maintain a
14 minimum of 200 gpm of circulation while the unit is in standby mode. There will be no
15 circulation of caustic solution while repairs are being performed, as Chevron needs to
16 temporarily pause operation of the Caustic Scrubber to repair the malfunctioning flow meter.
17 Because Facility Permit Condition No. C8.16 and Administrative Conditions No. 2 and No. 4
18 require Caustic Scrubber operation, Chevron will be in violation of District Rules 203(b),
19 2004(f)(1) and 3002(c)(1), which require compliance with permit conditions.

20 4. The C-2180 Caustic Scrubber can be operated normally, albeit without the flow
21 meter operating, until Chevron takes the Caustic Scrubber offline to perform the flow meter
22 repair. During this period prior to the flow meter repair, Chevron will modulate caustic solution
23 flow by comparing the pump speed to the column level in the Caustic Scrubber. As such, no
24 excess emissions are anticipated during this period.

25 5. Chevron has maintained the scrubber and flow meter in accordance with
26 industry standards. The need for emergency repair and variance coverage was both unexpected
27 and unforeseeable, and not the product of either operator error or neglect. Maintenance was

1 performed on the C-2180 Caustic Scrubber on March 11, 2024, and the equipment appeared to
2 be performing properly as of that time.

3 6. On March 27, 2024, the Caustic Scrubber experienced an unanticipated failure
4 of the flow meter that measures the flow of caustic solution into the scrubber. Chevron became
5 aware of being out of compliance with applicable District rules and permit conditions when the
6 C-2180 Caustic Scrubber alarm was triggered. The alarm indicated that the flow meter was not
7 able to continuously monitor caustic solution flow as specified in Permit Condition C8.16.
8 Chevron reported a breakdown to the District hotline at 1-800-CUT-SMOG within one hour of
9 notification of the issue.

10 7. Initially, Chevron believed that the breakdown was the result of a plugged tubing
11 line to the flow meter and could be promptly repaired within the timeframes permitted by
12 District Rules 430 and 218, as applicable. After initial repairs failed to resolve the matter,
13 Chevron concluded on the evening of March 28, 2024, that the root cause of the equipment
14 breakdown was a plugged or broken root valve to the flow meter. Chevron notified the District
15 of its intent to file for an emergency variance promptly after it became clear that Chevron would
16 be unable to complete required repairs within the required timeframe.

17 8. Because the loss of the caustic flow meter was an unanticipated equipment
18 breakdown and repairs were unable to be completed within the time period allowed under
19 District rules, the petition could not be filed in time for the hearing to be announced to the public.

20 9. Chevron promptly filed its petition for emergency variance on March 29, 2024.
21 Chevron worked with the Clerk of the Board to promptly schedule a hearing on the variance.

22 10. Denial of the variance would cause significant harm to Chevron in that denial
23 could force Chevron to shut down and then restart certain Refinery process units while the
24 repairs are performed. The shutdown of the Refinery would result in a financial penalty to
25 Chevron of approximately \$750,000 per day in lost production and sales. In addition, the shut
26 down and restart of the Refinery units would result in flaring and air emissions that would
27 otherwise not occur if the variance is granted. As such, denial of the variance would result in an

1 increase in air emissions and financial impacts to Chevron that would be unreasonable and
2 unavoidable.

3 11. Compliance is beyond Chevron's reasonable control as the caustic flow meter in
4 the C-2180 Caustic Scrubber unexpectedly malfunctioned, despite appearing to be operating
5 normally during a maintenance event two weeks prior, and needs to be repaired or replaced.
6 Chevron has maintained the subject equipment in accordance with industry standards. The
7 incident is both unexpected and was unforeseeable. There is no way to complete the Caustic
8 Scrubber flow meter repair without the scrubber being offline.

9 12. The closing or taking would be without a corresponding benefit in reducing air
10 contaminants because without the variance, Chevron would be required to shut down and restart
11 the Refinery units, resulting in flaring and air emissions. Alternatively, if the variance is granted,
12 Chevron does not anticipate any excess emissions.

13 13. The C-2180 Caustic Scrubber can be operated normally, albeit without the flow
14 meter operating, until Chevron takes the Caustic Scrubber offline to perform the flow meter
15 repair. During this period prior to the flow meter repair, Chevron will modulate caustic solution
16 flow by comparing the pump speed to the column level in the Caustic Scrubber. As such, no
17 excess emissions are anticipated during this period.

18 14. During the approximately seven-day period when Chevron takes the Caustic
19 Scrubber offline to perform the flow meter repair, Chevron will at the same time shut down the
20 equipment venting to the Caustic Scrubber (the 6HS2 Unit). As such, there will be no excess
21 emissions during this period.

22 15. Chevron has considered the option of curtailing or terminating operations in lieu
23 of obtaining a variance. Chevron will be terminating operation of the Caustic Scrubber and the
24 equipment venting to it. However, Chevron cannot immediately curtail or terminate operations
25 because doing so would be expected to lead to excess emissions and potentially the need for
26 flaring due to the shutdown and startup of Refinery units. In comparison, Chevron does not
27 anticipate excess emissions if the variance were granted and the Caustic Scrubber and equipment
venting to it is brought offline in an orderly manner.

1 16. As mentioned above, during the period that the variance is in effect, there will be
2 no excess emissions. Nonetheless, Chevron agrees to reduce excess emissions to the maximum
3 extent feasible by complying with the conditions of the Order.

4 17. Chevron will monitor emissions during the variance period. The Refinery is
5 equipped with Continuous Emissions Monitoring Systems (CEMS) to continuously monitor,
6 record and report to the District air emissions from the Refinery. The emissions monitoring data
7 will be provided to the District upon request.

8 18. During the duration of the flow meter repair, Chevron will monitor flow,
9 temperature inlet pressure and valve outputs for the C-2180 Caustic Scrubber to ensure that there
10 is no flow going through the column while the work is performed.

11 **FOR CHEVRON PRODUCTS COMPANY:**

12 Dated: April 11, 2024

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14 By: _____
15 Andre West
16 HSE Environmental Compliance Specialist
17 Chevron Products Company
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