

By Phone (audio only, Webinar ID required): 1-669-900-6833

Members of the public that wish to participate in the hearing may do so by joining the Zoom Webinar ID or in-person at 24580 Silver Cloud Ct. Monterey. Should you have any questions, please contact Sirie Thongchua, Executive Assistant, at 831-718-8028 or by email at <u>sirie@mbard.org</u>.

To Provide Public Comment via Zoom teleconference/video conference: During the meeting live verbal public comments may be made by members of the public joining the meeting via Zoom. Zoom access information is provided above. Use the "raise hand" feature (for those joining by phone, press *9 to "raise hand") during the public comment period for the agenda item you wish to address. Members of the public participating via Zoom will be muted during the proceedings and may be unmuted to speak during public comment after requesting and receiving recognition by the Chair. Please clearly state your full name for the record at the start of your public comment.

Before the Meeting: Persons who wish to address the Hearing Board for public comment of an item not on the agenda are encouraged to submit comments in writing to Sirie Thongchua, Executive Assistant, at <u>sirie@mbard.org</u> by 5:00 p.m. on Friday, June 9, 2023. Comments received will be distributed to the Hearing Board prior to the meeting.

SUMMARY OF ACTIONS

- 1. CALL TO ORDER The meeting was called to order by Chair Guth at 3:02 p.m.
- 2. ROLL CALL Present: Daniel Dodge Jr., Michael Guth, Emmett Linder.
- 3. PUBLIC COMMENT FOR ITEMS NOT ON AGENDA None.

CONSENT AGENDA

Motion: Approve items on the Consent Agenda. *Action:* Approve. *Moved by* Daniel Dodge Jr., *Seconded by* Michael Guth. *Vote:* Motion carried *unanimously* (*summary: Yes = 3*). *Yes:* Daniel Dodge Jr., Michael Guth, Emmett Linder.

- 4. Accepted and Filed Summary of Actions for the Hearing Board Meeting of March 10, 2023
- 5. Adopted Regular Meeting Schedule

REGULAR AGENDA

6. Conducted Public Hearing

Docket 23-002: University of California, at Santa Cruz Short Term Variance Project Site: 1156 High Street, Santa Cruz, California

- a. Chair Guth administered oath to all persons who provided testimony for Docket 23-002
 Petitioners: Justin Delemus, Michael Dolder, and Steven Irie, UCSC. Staff: Amy Clymo, Engineering and Compliance Manager, and Mary Giraudo, Engineering Supervisor.
- b. Petitioners Presented Case Justin Delemus, Michael Dolder, and Steven Irie provided verbal testimony.
- c. Staff Present Report Amy Clymo and Mary Giraudo provided verbal testimony.
- d. Public Comment Related to Docket 23-002 None.
- e. Hearing Board Discussion/Questions
- f. Hearing Board Decision/Order
 - i. Make Findings
 - a. Motion: Modify changes to draft order as follows:
 - Change order period to June 20, 2023 at 8:00 am to September 1, 2023, for a maximum run time of 96 hours for each emergency generator.
 - Change #8 to Petitioner will not exceed 103 lbs. of NOx, 134 lbs. of VOC, and 327 lbs. of CO, during the term of this variance.

Action: Approve. Moved by Daniel Dodge Jr., Seconded by Emmett Linder. Vote: Motion carried unanimously by roll call vote (summary: Yes = 3). Yes: Daniel Dodge Jr., Michael Guth, Emmett Linder.

b. Motion: Approve the order. Action: Approve. Moved by Emmett Linder, Seconded by Daniel Dodge Jr. Vote: Motion carried unanimously by roll call vote (summary: Yes = 3). Yes: Daniel Dodge Jr., Michael Guth, Emmett Linder.

ii. Discuss Conditions

7. ADJOURNMENT – The meeting adjourned at 3:55 p.m.

Sirie Thongchua Executive Assistant

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BEFORE THE HEARING BOARD OF THE MONTEREY BAY AIR RESOURCES DISTRICT

STATE OF CALIFORNIA

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5 IN THE MATTER OF THE APPLICATION OF
6 UNIVERSITY OF CALIFORNIA,
7 SANTA CRUZ 1156 HIGH STREET
8 SANTA CRUZ, CA) DOCKET NO.: 23-002

) CONDITIONAL ORDER) GRANTING SHORT TERM VARIANCE

INTRODUCTION

On June 1, 2023, Petitioner, University of California Santa Cruz 12 13 (hereinafter referred to as "Petitioner") filed with this Hearing Board an application for a Short Term Variance. Petitioner requested the Hearing 14 15 Board to grant a variance from Condition No. 3 on seven emergency generator Permits to Operate issued by the Monterey Bay Air Resources District's 16 (MBARD) (see Exhibit A). The Petitioner needs to operate the seven natural gas 17 emergency generators in violation of Condition No. 3 to provide continuity of 18 power to the campus during power interruptions needed to replace and test two 19 12kV electrical switches. 20

NOTICE OF HEARING

Notice of the application and the hearing of June 13, 2023 at 3:00 pm have been given pursuant to the provisions of the California Health and Safety Code Section 40825. The request and MBARD's staff report were presented to the Hearing Board. MBARD was represented by Amy Clymo, Engineering and Compliance Manager, and Mary Giraudo, Supervising Air Quality Engineer. The Petitioner was represented by Justin Delemus, EH&S, Mike Dolden, and Steven Irie, University of California at Santa Cruz.

BACKGROUND

Petitioner is a Public University used for the purposes of teaching, 2 research, housing and feeding of students. The Petitioner's facility is 3 4 located at 1156 High Street, Santa Cruz, California. All Permits to Operate (Exhibit A) are located within the campus boundaries. 5

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6 The subject of this variance is the Petitioner's request to operate 7 seven natural gas emergency generators in violation of Condition 3 on the Permits to Operate (Exhibit A). Petitioner needs to generate electricity to 8 provide minimal support related to campus functions, such as fire alarm 9 systems, egress lighting, site lighting, surveillance systems, communication 10 systems, routers, security systems, freezers, etc., for campus occupants 11 during these time frames for the portion of campus affected by the power 12 outage. 13

FINDINGS OF FACT

Pursuant to Health and Safety Code 42352 the following findings have been made: 16

THE PETITIONER IS OR WILL BE IN VIOLATION OF SECTION 41701 OR OF (a) 17 ANY RULE, REGULATION, OR ORDER OF THE DISTRICT. 18

Petitioner will be in violation of seven Permits to Operate (Exhibit A), Condition No. 3 which states, "except for test purposes, this equipment shall only be operated when the local utility power line service fails."

DUE TO CONDITIONS BEYOND THE REASONABLE CONTROL OF THE PETITIONER 22 (b) 23 REQUIRING COMPLIANCE WOULD RESULT IN EITHER (1) AN ARBITRARY OR UNREASONABLE TAKING OF PROPERTY, OR (2) THE PRACTICAL CLOSING AND ELIMINATION OF A LAWFUL 24 BUSINESS. 25

26 The type of power shut down in this circumstance is, for practical 27 purposes, identical to the effect of a local utility service failure. The 28 need for shutdown was unforeseen, and the failure of the switches, which now

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necessitates this shutdown, was beyond the reasonable control of the
 Petitioner.

(c) THE CLOSING OR TAKING WOULD BE WITHOUT A CORRESPONDING BENEFIT IN REDUCING AIR CONTAMINANTS.

The closing of the business would result in a loss to the Petitioner and its employees. Without the variance, Petitioner would not be able to perform the needed electrical repairs of switches and would need to rent and run portable diesel generators to supply power during the outage replacement. Operating portable diesel engines would increase emissions of a toxic air contaminant, diesel particulate matter, thus providing no benefit to reducing air contaminants.

12 (d) THE PETITIONER FOR THE VARIANCE HAS GIVEN CONSIDERATION TO 13 CURTAILING OPERATIONS OF THE SOURCE IN LIEU OF OBTAINING A VARIANCE.

Petitioner has considered curtailing operations in lieu of obtaining a variance. Curtailing operations is not practical due to the cost of relocating building occupants and the presence of life safety equipment. Petitioner will reduce the generator demand by limiting electrical loads and scheduling the tests to occur during an academic quarter summer break when the campus residential population is at the lowest.

(e) DURING THE PERIOD THE VARIANCE IS IN EFFECT, THE PETITIONER WILL REDUCE EXCESS EMISSIONS TO THE MAXIMUM EXTENT FEASIBLE.

Petitioner will reduce excess emissions during the variance period, by operating the seven generators no longer than necessary to safely complete the project to replace and test the two 12kV electrical switches. Prior to the outage, the Petitioner will instruct the campus community to reduce any unnecessary loads during this time frame.

(f) DURING THE PERIOD THE VARIANCE IS IN EFFECT, THE PETITIONER WILL
 MONITOR OR OTHERWISE QUANTIFY EMISSION LEVELS FROM THE SOURCE, IF REQUESTED

1 TO DO SO BY THE DISTRICT, AND REPORT THESE EMISSION LEVELS TO THE DISTRICT 2 PURSUANT TO THE SCHEDULE ESTABLISHED BY THE DISTRICT.

Petitioner will record the run time and fuel use for the emergency generators and will report this data and emissions to MBARD at the end of the variance.

(g) Operation of the seven natural gas generators under this variance will not result in a nuisance.

ORDER

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NOW THEREFORE, THE HEARING BOARD ORDERS that UNIVERSITY OF CALIFORNIA SANTA CRUZ is granted a Short Term Variance from Condition No. 3 on seven MBARD Permits to Operate (Exhibit A) for the period commencing June 20, 2023 at 8:00 am to September 1, 2023, for a maximum run time of 96 hours for each emergency generator (Exhibit A).

The variance granted herein is subject to the following conditions:

1. Compliance with this Order will not relieve Petitioner from liability under MBARD's Rules for any violation thereof, unless specifically permitted by this Order, and will not preclude MBARD from pursuing remedies in accordance with the Health and Safety Code in the event of any violation.

Any modification of the final compliance date of this Variance
 Order must be brought before the Hearing Board.

3. The failure to abide by any condition of this Decision and Order will subject the party receiving the variance to penalties as set forth in Health and Safety Code Section 42402.

24 4. Each day during any portion of which a violation occurs is a25 separate offense.

5. Under Section 42362 of the California Health and Safety Code, the State Board may revoke or modify any variance granted by a district if, in its judgment, the variance does not require compliance with a required

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schedule of increments of progress or emission standards as expeditiously as
 practicable, or the variance does not meet the requirements of Article 2,
 Chapter 4, Division 26, of the California Health and Safety Code.

6. Petitioner shall retain the obligation to comply with all other local, state, and federal regulations not specifically referenced in this variance order. Note that federal regulations do not recognize variance orders; therefore, periods of non-compliance with Title V permit requirements must be reported as such in the facility's Annual Compliance Certification Report.

10 7. Petitioner will pay an excess emission fee of \$544.00 no later than 11 June 30, 2023.

12 8. Petitioner will not exceed 103 lbs. of NOx, 134 lbs. of VOC, and 327
13 lbs. of CO, during the term of this variance.

9. Petitioner will submit, 10 days after completion of the project, a report detailing the dates the emergency generators were used, the hours of operation, and fuel use.

17 10. Petitioner will not exceed 96 run hours per emergency generator18 during the term of this variance.

11. Within 10 days of the end date of this variance, the Petitioner will immediately notify MBARD of its compliance or non-compliance with this Order's requirements and the reasons for compliance or non-compliance. This reporting requirement is in addition to those specified as conditions to this order.

12. If delay is anticipated in meeting any requirement of this Variance Order, the Petitioner will immediately notify MBARD by telephone and email of the anticipated delay and the reasons for such delay. Notification to MBARD of an anticipated delay does not excuse the delay. Notification is not to be misconstrued as an extension of this variance.

1	13. Petitioner will report immediately to the MBARD staff and the				
2	Hearing Board, in writing, its failure to meet any date or condition set				
3	forth in this Order or in any schedule established pursuant to this Order.				
4	Any such violation will constitute a violation of this Order.				
5	14. All submittals and notifications to the MBARD pursuant to this				
6	Variance Order will be made to:				
7	Trevor Benites, Air Quality Inspector III MONTEREY BAY AIR RESOURCES DISTRICT				
8 9	24580 Silver Cloud Court, Monterey, CA 93940 tbenites@mbard.org				
10	Moved by: Emmett Linder				
11	Seconded by: Daniel Dodge Jr. AYES: Michael Guth, Chair, Daniel Dodge Jr., Emmett Linder				
12	Dated Signed:				
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15	Michael Guth, Chair, HEARING BOARD, MONTEREY BAY AIR RESOURCES DISTRICT				
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Exhibit A

List of Natural Gas Emergency Generators

Variance from the Permit to Operate requirement of Condition No. 3 which states, "except for test and exercise purposes, this equipment shall only be operated when the local utility power line service fails." The following pages include copies of permits 13274, 13275, 11745, 14996, 14997, 14998, and 14999.

Generator	LOCATION	Rated	Maximum
Number (PTO)		KW	Hours
GS-011 (13274)	Baskin Engineering Standby	206	96
GS-025 (13275)	Baskin Engineering	50	96
GS-040 (11745)	Engineering 2 Bldg.	150	96
GS-052 (14996)	Bio-Med Bldg. Emergency	150	96
GS-053 (14997)	Bio-Med Bldg. Standby	200	96
GS-054 (14998)	Bio-Med Bldg. Standby	200	96
GS-055 (14999)	Bio-Med Bldg. Standby	200	96