



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

FEB 02 2012

Ms. Helen Ordway
Alon Bakersfield Refining
6451 Rosedale Hwy
Bakersfield, CA 93308

**Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-33
Project # S-1114222**

Dear Ms. Ordway:

The Air Pollution Control Officer has issued Authority to Construct permits to Alon Bakersfield Refining for its oil refining operation at 6451 Rosedale Hwy in Bakersfield, California. This Authority to Construct will authorize a previously permit exempt loading rack to transfer light crude oil.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permits with Certificate of Conformity was published on December 26, 2011. The District's analysis of the proposal was also sent to US EPA Region IX on December 26, 2011. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: KR/cm

Enclosures



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



FEB 02 2012

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St.
San Francisco, CA 94105

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-33
Project # S-1114222

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permits to Alon Bakersfield Refining for its oil refining operation at 6451 Rosedale Hwy in Bakersfield, California. This Authority to Construct will authorize a previously permit exempt loading rack to transfer light crude oil.

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Notice of the District's preliminary decision to issue the Authority to Construct permits with Certificate of Conformity was published on December 26, 2011. The District's analysis of the proposal was also sent to CARB on December 26, 2011. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

DW: KR/cm

Enclosures



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



FEB 02 2012

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

**Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-33
Project # S-1114222**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Alon Bakersfield Refining for its oil refining operation at 6451 Rosedale Hwy in Bakersfield, California. This Authority to Construct will authorize a previously permit exempt loading rack to transfer light crude oil.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permits with Certificate of Conformity was published on December 26, 2011. The District's analysis of the proposal was also sent to US EPA Region IX on December 26, 2011. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: KR/cm

Enclosures

Bakersfield Californian

**NOTICE OF FINAL DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED MINOR MODIFICATION OF FEDERALLY
MANDATED OPERATING PERMIT**

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to Alon Bakersfield Refining for its oil refining operation at 6451 Rosedale Hwy in Bakersfield, California. This Authority to Construct will authorize a previously permit exempt loading rack to transfer light crude oil.

No comments were received following the District's preliminary decision on this project.

The application review for Project #S-1114222, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. **SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308.**



AUTHORITY TO CONSTRUCT

PERMIT NO: S-33-439-0

ISSUANCE DATE: 01/31/2012

LEGAL OWNER OR OPERATOR: ALON BAKERSFIELD REFINING
MAILING ADDRESS: 6451 ROSEDALE HWY (AREA 1 & 2)
BAKERSFIELD, CA 93308

LOCATION: 6451 ROSEDALE HWY (AREA 1 & 2)
BAKERSFIELD, CA 93308

EQUIPMENT DESCRIPTION:
RAILCAR ORGANIC LIQUID TRANSFER OPERATION WITH TEN (10) TRANSFER STATIONS, EACH WITH TWO (2) TRANSFER ARMS (REFINERY AREAS 1 & 2)

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 496 lb, 2nd quarter - 496 lb, 3rd quarter - 496 lb, and fourth quarter - 496 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number S-3467-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
5. There shall be no more than 40 disconnects per day and 14,600 disconnects per year. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Sayed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services
S-33-439-0; Jan 31 2012 11:11AM - RICKARDK : Joint Inspection NOT Required

6. Emissions from fugitive emissions components and excess liquid drainage from organic liquid transfer facility shall not exceed 4.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Loading of any material into railcars previously storing material with a TVP >1.5 psia is not permitted. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Loading of an organic liquid with a TVP >1.5 psia is not permitted. [District Rule 4624] Federally Enforceable Through Title V Permit
9. Maximum number of railcars loaded per day shall not exceed 20. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Maximum liquid spillage for liquids from organic liquid transfer operation shall not exceed 8 milliliters/disconnect based on an average from 3 consecutive disconnects. [District Rules 2201 and 4624] Federally Enforceable Through Title V Permit
11. The operator shall not use any component that leaks in excess of the allowable leak standards of Rule 4455, or is found to be in violation of the provisions specified in Section 5.1.3. A component identified as leaking in excess of an allowable leak standard may be used provided it has been identified with a tag for repair, has been repaired, or is awaiting re-inspection after repair, within the applicable time period specified within the rule. [District Rule 4455] Federally Enforceable Through Title V Permit
12. Each hatch shall be closed at all times except during sampling or adding of process material through the hatch, or during attended repair, replacement, or maintenance operations, provided such activities are done as expeditiously as possible and with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4455] Federally Enforceable Through Title V Permit
13. The operator shall be in violation of Rule 4455 if any District inspection demonstrates that one or more of the conditions in Sections 5.1.4 exist at the facility. [District Rule 4455] Federally Enforceable Through Title V Permit
14. Except for annual operator inspection described in Section 5.1.3.2.3, any operator inspection that demonstrates one or more of the conditions in Section 5.1.4 exist at the facility shall not constitute a violation of Rule 4455 if the leaking components are repaired as soon as practicable but not later than the time frame specified in Rule 4455. Such components shall not be counted towards determination of compliance with the provisions of Section 5.1.4. [District Rule 4455] Federally Enforceable Through Title V Permit
15. Leaking components detected during operator inspection pursuant Section 5.1.3.2.1 that are not repaired, replaced, or removed from operation as soon as practicable but not later than the time frame specified in Rule 4455 shall be counted toward determination of compliance with the provisions of Section 5.1.4. [District Rule 4455] Federally Enforceable Through Title V Permit
16. Any operator inspection conducted annually for a component type (including operator annual inspections pursuant to Section 5.2.5, 5.2.6, 5.2.7, or 5.2.8) that demonstrates one or more of the conditions in Section 5.1.4 exist at the facility shall constitute a violation of Rule 4455 regardless of whether or not the leaking components are repaired, replaced, or removed from operation within the allowable repair time frame specified in Rule 4455. [District Rule 4455] Federally Enforceable Through Title V Permit
17. A component shall be considered leaking if one or more of the conditions specified in Sections 5.1.4.1 through 5.1.4.4 of the rule exist at the facility. [District Rule 4455] Federally Enforceable Through Title V Permit
18. The operator shall inspect all components at least once every calendar quarter, except for inaccessible components, unsafe-to-monitor components and pipes. Inaccessible components, unsafe-to-monitor components and pipes shall be inspected in accordance with the requirements set forth in Sections 5.2.5, 5.2.6, and 5.2.7. New, replaced, or repaired fittings, flanges and threaded connections shall be inspected immediately after being placed into service. Components shall be inspected using EPA Method 21. [District Rule 4455] Federally Enforceable Through Title V Permit
19. The operator may apply for a written approval from the APCO to change the inspection frequency from quarterly to annually for a component type, provided the operator meets all the criteria specified in Sections 5.2.8.1 through 5.2.8.3. This approval shall apply to accessible component types, specifically designated by the APCO, except pumps, compressors, and PRDs which shall continue to be inspected on a quarterly basis. [District Rule 4455] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. An annual inspection frequency approved by the APCO shall revert to quarterly inspection frequency for a component type if either the operator inspection or District inspection demonstrates that a violation of the provisions of Sections 5.1, 5.2 and 5.3 of the rule exists for that component type, or the APCO issued a Notice of Violation for violating any of the provisions of Rule 4455 during the annual inspection period for that component type. When the inspection frequency changes from annual to quarterly inspections, the operator shall notify the APCO in writing within five (5) calendar days after changing the inspection frequency, giving the reason(s) and date of change to quarterly inspection frequency. [District Rule 4455] Federally Enforceable Through Title V Permit
21. A District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. Any attempt by an operator to count such District inspections as part of the mandatory operator's inspections is considered to be willful circumvention and is a violation of Rule 4455. [District Rule 4455] Federally Enforceable Through Title V Permit
22. Upon detection of a leaking component, the operator shall affix to that component a weatherproof readily visible tag that contains the information specified in Section 5.3.3. The tag shall remain affixed to the component until the leaking component has been repaired or replaced; has been re-inspected using EPA Method 21; and is found to be in compliance with the requirements of Rule 4455. [District Rule 4455] Federally Enforceable Through Title V Permit
23. An operator shall minimize all component leaks immediately to the extent possible, but not later than one (1) hour after detection of leaks in order to stop or reduce leakage to the atmosphere. [District Rule 4455] Federally Enforceable Through Title V Permit
24. All unloaded liquids and gases shall be routed to one of the following systems: a vapor collection and control system; a fixed roof container that meets the control requirements specified in Rule 4623 (Storage of Organic Liquids); a floating roof container that meets the control requirements specified in Rule 4623 (Storage of Organic Liquids); or a pressure vessel equipped with an APCO-approved vapor recovery system that meets the control requirements specified in Rule 4623 (Storage of Organic Liquids); or a closed VOC emission control system. [District Rule 4624] Federally Enforceable Through Title V Permit
25. For this Class I organic liquid transfer facility, the emission of VOC from the transfer operation shall not exceed 0.08 pounds per 1,000 gallons of organic liquid transferred. [District Rule 4624] Federally Enforceable Through Title V Permit
26. A leak is defined as the dripping of VOC-containing liquid at a rate of more than three (3) drops per minute; or for organic liquids other than gasoline, the detection of any gaseous or vapor emissions with a concentration of VOC greater than 1,000 ppmv above a background as methane when measured in accordance with the test method in Section 6.3.7; gasoline, a concentration of VOC greater than 10,000 ppmv, as methane, above background when measured in accordance with the test method in Section 6.3.7. Any liquid or gas coming from a component undergoing repair or replacement, or during sampling of process fluid from equipment into a container is not considered a leak provided such activities are accomplished as expeditiously as possible and with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4624] Federally Enforceable Through Title V Permit
27. A gas or liquid leak is a violation of this permit and shall be reported as a deviation. [District Rules 2201 and 4624] Federally Enforceable Through Title V Permit
28. The operator of an organic liquid transfer facility shall inspect the vapor collection system, the vapor disposal system, and each transfer rack handling organic liquids for leaks during transfer at least once every calendar quarter using the test method prescribed in Section 6.3.8 of Rule 4624. [District Rule 4624] Federally Enforceable Through Title V Permit
29. An operator may apply for a written approval from the APCO to change the inspection frequency from quarterly to annually provided no leaks were found during the inspections required under provisions of Sections 5.9.1 and 5.9.2 of Rule 4624 during five consecutive quarterly inspections. Upon identification of any leak during an annual inspection the frequency shall revert back to quarterly and the operator shall contact the APCO in writing within 14 days. [District Rule 4624] Federally Enforceable Through Title V Permit
30. A floating roof container that meets the applicable control requirements of Section 5.0 of Rule 4623 (Storage of Organic Liquids) shall be considered not leaking when receiving unloaded liquids for compliance with Rule 4624. [District Rule 4624] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. All equipment that is found leaking shall be repaired or replaced within 72 hours. If the leaking component cannot be repaired or replaced within 72 hours, the component shall be taken out of service until such time the component is repaired or replaced. The repaired or replacement equipment shall be reinspected the first time the equipment is in operation after the repair or replacement. [District Rule 4624] Federally Enforceable Through Title V Permit
32. Operator shall keep records of the throughputs of materials transferred, the results of any required leak inspections, and the quantity and type of components in service. [District Rules 2201 and 4624] Federally Enforceable Through Title V Permit
33. Daily records of the number of disconnects, railcars unloaded, and railcars loaded from organic liquid transfer facility shall be maintained, retained on the premises for a period of at least five years and made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
34. Permit holder shall maintain accurate component count and resultant emissions according to CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-3a (Feb 1999), Correlation Equations Method. [District Rule 2201] Federally Enforceable Through Title V Permit
35. All records required by this permit shall be retained for a period of at least 5 years and shall be made available to the District upon request. [District Rules 1070 and 4624] Federally Enforceable Through Title V Permit