



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

FEB 16 2012

Ms. Melinda Hicks
Kern Oil & Refining Company
7724 East Panama Lane
Bakersfield, CA 93307

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-37
Project # S-1114829**

Dear Ms. Hicks:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. The applicant is requesting that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. Kern Oil proposes to convert a floating roof tank to a fixed roof tank with vapor control connected to an existing loading rack and remove an inspection and record keeping requirement that is not applicable to the listed equipment.

After addressing any EPA comments made during the 45-day comment period, the Authorities to Construct will be issued to the facility with Certificates of Conformity. Prior to operating with modifications authorized by the Authorities to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

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

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
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Tel: (559) 230-6000 FAX: (559) 230-6061
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Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
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San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

FEB 16 2012

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

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-37
Project # S-1114829**

Dear Mr. Rios:

Enclosed for your review is the District's engineering evaluation of an application for Authorities to Construct for Kern Oil & Refining Company at 7724 East Panama Lane in Bakersfield, which has been issued a Title V permit. Kern Oil & Refining Company is requesting that Certificates of Conformity, with the procedural requirements of 40 CFR Part 70, be issued with this project. Kern Oil proposes to convert a floating roof tank to a fixed roof tank with vapor control connected to an existing loading rack and remove an inspection and record keeping requirement that is not applicable to the listed equipment.

Enclosed is the engineering evaluation of this application with a copy of the current Title V permit and proposed Authorities to Construct # S-37-8-30 and '-17-4 with Certificates of Conformity. After demonstrating compliance with the Authority to Construct, the conditions will be incorporated into the facility's Title V permit through an administrative amendment.

Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter. 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

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San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

FEB 16 2012

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

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-37
Project # S-1114829**

Dear Mr. Tollstrup:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. The applicant is requesting that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. Kern Oil proposes to convert a floating roof tank to a fixed roof tank with vapor control connected to an existing loading rack and remove an inspection and record keeping requirement that is not applicable to the listed equipment.

Enclosed is the engineering evaluation of this application with a copy of the current Title V permit and proposed Authorities to Construct # S-37-8-30 and '-17-4 with Certificates of Conformity. After demonstrating compliance with the Authorities to Construct, the conditions will be incorporated into the facility's Title V permit through an administrative amendment.

Please submit your written comments on this project within the 30-day comment period that begins on the date you receive this letter. 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

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

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District solicits public comment on the proposed significant modification of Kern Oil & Refining Company for its oil refining operation at 7724 East Panama Lane in Bakersfield, California. Kern Oil proposes to convert a floating roof tank to a fixed roof tank with vapor control connected to an existing loading rack and remove an inspection and record keeping requirement that is not applicable to the listed equipment.

The District's analysis of the legal and factual basis for this proposed action, project #S-1114829, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. There are no emission increases associated with this proposed action. This will be the public's only opportunity to comment on the specific conditions of the modification. If requested by the public, the District will hold a public hearing regarding issuance of this modification. For additional information, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900. Written comments on the proposed initial permit must be submitted within 30 days of the publication date of this notice to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308.

San Joaquin Valley Air Pollution Control District
Authority to Construct Application Review
Convert Floating Roof Tank to a Fixed Roof with Vapor Control

Facility Name:	Kern Oil and Refining Company	Date:	February 9, 2012
Mailing Address:	7724 E. Panama Lane Bakersfield, CA 93307	Engineer:	Kris Rickards
Contact Person:	Melinda Hicks	Lead Engineer:	Allan Phillips <i>ASUPR ADE</i>
Telephone:	661-845-0761	Joe Selgrath (Consultant)	FEB 13 2012
Fax:	661-845-0330		
E-Mail:		Selgrath@ix.netcom.com	
Application #(s):	S-37-8-30 and '-17-4		
Project #:	S-1114829		
Deemed Complete:	December 28, 2011		

I. Proposal

Kern Oil & Refining Company (hereafter referred to as Kern) has proposed to convert the external floating roof organic liquid storage tank listed on S-37-17 to a fixed roof tank with vapor control connected to the system listed on '-8 (loading rack). Emissions from the floating roof tank and proposed vapor control system are fugitive in nature; furthermore, post project fugitive emissions will be less than currently permitted emission limits.

Kern has also requested that testing, inspection, and recordkeeping conditions related to certified phase 1 vapor control equipment be removed from the loading rack permit, S-37-8. Although these requirements are not required by any applicable rule, as discussed in the compliance section of this evaluation, removing the inspection and recordkeeping condition will result in a significant modification.

Kern has indicated that ATC S-37-8-28 will be implemented prior to the ATC issued in this project ('-8-30) and serves as the base document. Current PTOs S-37-8-23 and '-17-3 and ATC '-8-28 are included in **Appendix B**.

Kern received their Title V Permit on January 31, 2003. This modification can be classified as a Title V significant modification pursuant to Rule 2520, Section 3.29, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. Kern must apply to administratively amend their Title V permit.

II. Applicable Rules

Rule 2201	New and Modified Stationary Source Review Rule (4/21/11)
Rule 2520	Federally Mandated Operating Permits (6/21/01)
Rule 4001	New Source Performance Standards (4/14/99)
Rule 4101	Visible Emissions (2/17/05)
Rule 4102	Nuisance (12/17/92)
Rule 4455	Components At Petroleum Refineries, Gas Liquids Processing Facilities, And Chemical Plants (4/20/05)
Rule 4621	Gasoline Transfer into Stationary Storage Containers, Delivery Vessels, and Bulk Plants (12/20/07)
Rule 4623	Storage of Organic Liquids (5/19/05)
Rule 4624	Transfer of Organic Liquid (12/20/07)
CH&SC 41700	Health Risk Assessment
CH&SC 42301.6	School Notice
Public Resources Code 21000-21177: California Environmental Quality Act (CEQA)	
California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387: CEQA Guidelines	

III. Project Location

The facility is located at 7724 East Panama Lane in Bakersfield. The equipment is not located within 1,000 feet of the outer boundary of a K-12 school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to this project.

IV. Process Description

Kern operates a petroleum refining operation engaged in the production of gasoline and various petroleum distillates, including diesel fuel. Kern is proposing to convert an existing floating roof organic liquid storage tank (S-37-17) to a fixed roof tank equipped with a vapor control system shared with the system listed on permit '-8.

V. Equipment Listing

Pre-Project Equipment Description:

- S-37-8-28: ORGANIC LIQUID LOADING AREAS AND REFINERY VAPOR RECOVERY SYSTEM INCLUDING COMPRESSOR(S), LOADING RACKS WITH 10 PRODUCT LINES AND 9 VAPOR RETURN LINES
- S-37-17-3: 504,000 GALLON WELDED EXTERNAL FLOATING ROOF TANK (#12001) WITH RESILIENT PRIMARY SEAL AND RIM-MOUNTED SECONDARY SEAL

Proposed Modification:

- S-37-8-30: MODIFICATION OF ORGANIC LIQUID LOADING AREAS AND REFINERY VAPOR RECOVERY SYSTEM INCLUDING COMPRESSOR(S), LOADING RACKS WITH UP TO 22 PRODUCT LINES AND UP TO 18 VAPOR RETURN LINES: ATTACH TANK S-37-8 TO VAPOR CONTROL SYSTEM
- S-37-17-4: MODIFICATION OF 12,000 BBL WELDED EXTERNAL FLOATING ROOF STORAGE TANK #12001: CONVERT FLOATING ROOF TO A FIXED ROOF AND CONNECT TO VAPOR CONTROL SYSTEM LISTED ON S-37-8

Post Project Equipment Description:

- S-37-8-30: ORGANIC LIQUID LOADING AREAS AND REFINERY VAPOR RECOVERY SYSTEM INCLUDING COMPRESSOR(S), LOADING RACKS WITH 10 PRODUCT LINES AND 9 VAPOR RETURN LINES
- S-37-17-4: 504,000 GALLON FIXED ROOF TANK (#12001) WITH VAPOR CONTROL SYSTEM LISTED ON PERMIT S-37-8

VI. Emission Control Technology Evaluation

The only pollutant of concern from the loading rack and floating roof tank is VOC. Kern proposes to connect the fixed roof tank (after converting from a floating roof, S-37-17) to the existing vapor control system listed with the loading rack on permit S-37-8 which has an efficiency of at least 99%. Fugitive emissions are the only source of emissions from the vapor collection system and no modifications are proposed to the current system. Emissions from the vapor collection system will be established by the number and type of fugitive components. The authorized number and type of components listed on permit S-37-8 will not be modified in this project.

VII. General Calculations

The modification to the loading rack listed on permit S-37-8 does not meet the criteria for a Rule 2201 Modification, as defined in Section 3.25, and is not subject to the requirements of Rule 2201. Therefore, formal calculations for Rule 2201 are not necessary for permit S-37-8.

A. Assumptions

- Facility operates 24 hr/day, 365 day/yr
- The floating roof tank and components of the vapor control system emit fugitive VOCs only
- Only fugitive VOCs emitted from components in gas service are calculated.
- Fugitive emissions from heavy oil liquid service components are negligible.
- The fugitive emissions for all tanks are calculated using California Implementation Guidelines for Estimating Mass Emissions of fugitive Hydrocarbon Leaks at Petroleum Facilities, CAPCOA/CARB, February 1999 emissions factors.

B. Emission Factors

Pre-project Emissions Factors for Floating Roof Tank, S-37-17:

Emissions for the floating roof tank are calculated using Tanks 4.0 with 1 turnover per day (see Appendix D).

Post-project Emissions Factors for Fixed Roof Tank, S-37-17:

Fugitive VOC emissions from piping/vapor components are estimated using CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2a (1995) EPA Protocol Refinery Screening Value Range Emission Factors.

C. Calculations

1. Pre-Project Potential to Emit (PE1)

The potential to emit for the floating roof tank is calculated using Tanks 4.0 with the following parameters and summarized in the table below:

Diameter: 60 ft.
 Shell Height: 24 ft.
 Maximum Liquid Height: 22 ft.
 Maximum Working Capacity: 12,000 bbls
 Turnovers/year (potential): 365
 Throughput/year (potential): 4,380,000 bbls/yr (1 turnover/day)
 TVP Maximum at Ambient: 11 psia
 Stored material: Organic Liquid (gasoline RVP 15 psi results in a maximum TVP of 11 psi)

Pre-Project Potential to Emit (PE1)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
VOC	23.9	8,740

2. Post Project Potential to Emit (PE2)

Post-project potential to emit for the tank being converted to a fixed roof tank is calculated based on the fugitive component counts (see Appendix E). The following table summarizes the post-project potential to emit for units included in this project.

Post Project Potential to Emit (PE2)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
VOC	4.3	1,583

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to Section 4.9 of District Rule 2201, the Pre-Project Stationary Source Potential to Emit (SSPE1) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

Facility emissions are already above the Offset and Major Source Thresholds for VOC emissions (see Appendix F); therefore, SSPE1 calculations are not necessary.

4. Post Project Stationary Source Potential to Emit (SSPE2)

Pursuant to Section 4.10 of District Rule 2201, the Post Project Stationary Source Potential to Emit (SSPE2) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

Facility emissions are already above the Offset and Major Source Thresholds for VOC emissions (see Appendix F); therefore, SSPE2 calculations are not necessary.

5. Major Source Determination

Pursuant to Section 3.23 of District Rule 2201, a Major Source is a stationary source with post-project emissions or a Post Project Stationary Source Potential to Emit (SSPE2), equal to or exceeding one or more of the following threshold values. However, Section 3.23.2 states, "for the purposes of determining major source status, the SSPE2 shall not include the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site."

This source is an existing Major Source for VOC emissions and will remain a Major Source for VOC. No change in other pollutants are proposed or expected as a result of this project.

6. Baseline Emissions (BE)

The BE calculation (in lbs/year) is performed pollutant-by-pollutant for each unit within the project, to calculate the QNEC and if applicable, to determine the amount of offsets required.

Pursuant to Section 3.7 of District Rule 2201, BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to Section 3.22 of District Rule 2201.

Clean Emissions Unit, Located at a Major Source

Pursuant to Rule 2201, Section 3.12, a Clean Emissions Unit is defined as an emissions unit that is "equipped with an emissions control technology with a minimum control efficiency of at least 95% or is equipped with emission control technology that meets the requirements for achieved-in-practice BACT as accepted by the APCO during the five years immediately prior to the submission of the complete application.

The organic liquid storage tank is equipped with a floating roof, which meets the requirements for achieved-in-practice BACT (see Appendix C). Therefore, Baseline Emissions (BE) are equal to the Pre-Project Potential to Emit (PE1).

BE = PE1 = 8,740 lb-VOC/year

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

Since this modification will result in a decrease of VOC emissions it will remain below the VOC threshold and this project does not constitute a SB288 Major Modification.

8. Federal Major Modification

District Rule 2201, Section 3.17 states that Federal Major Modifications are the same as "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

The determination of Federal Major Modification is based on a two-step test. For the first step, only the emission *increases* are counted. Emission decreases may not cancel out the increases for this determination.

Since there are no increases proposed for any equipment in this project and only the potential to emit will decrease as a result of this project, this project does not constitute a Federal Major Modification and no further analysis is required,

9. Quarterly Net Emissions Change (QNEC)

The QNEC is calculated solely to establish emissions that are used to complete the District's PAS emissions profile screen. Detailed QNEC calculations are included in **Appendix G**.

VIII. Compliance

Rule 2201 New and Modified Stationary Source Review Rule

As noted in Section VII of this engineering evaluation, the proposed modification to permit S-37-8 does not constitute an NSR modification; Pursuant to section 3.25 of District Rule 2201, a modification is defined as:

- 3.25.1.1 Any change in hours of operation, production rate, or method of operation of an existing emissions unit, which would necessitate a change in permit conditions.

The proposed modification does not result in a change in the hours of operation, production rate or method of operation which necessitates a change in permit conditions.

- 3.25.1.2 Any structural change or addition to an existing emissions unit which would necessitate a change in permit conditions. Routine replacement shall not be considered to be a structural change.

The proposed modification does not constitute a structural change or addition to an existing emissions unit which necessitates a change in permit conditions.

- 3.25.1.3 An increase in emissions from an emissions unit caused by a modification of the Stationary Source when the emissions unit is not subject to a daily emissions limitation.

The proposed modification does not result in an increase in emissions from any emissions unit.

- 3.25.1.4 Addition of any new emissions unit which is subject to District permitting requirements.

The proposed modification does not result in the addition of any new emissions units.

- 3.25.1.5 A change in a permit term or condition proposed by an applicant to obtain an exemption from an applicable requirement to which the source would otherwise be subject.

The proposed change in a permit term is to remove a requirement that is *not* applicable to this equipment; therefore the change will not result in a change to a permit term or condition to obtain an exemption from an applicable requirement.

As discussed above, the modification proposed to unit S-37-8 does not meet any of the criteria for a modification. Therefore, it is not subject to the requirements of District Rule 2201.

A. Best Available Control Technology (BACT)

1. BACT Applicability

BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis. Unless exempted pursuant to Section 4.2, BACT shall be required for the following actions*:

- a. Any new emissions unit with a potential to emit exceeding two pounds per day,
- b. The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
- c. Modifications to an existing emissions unit with a valid Permit to Operate resulting in an AIPE exceeding two pounds per day, and/or
- d. Any new or modified emissions unit, in a stationary source project, which results in an SB288 Major Modification or a Federal Major Modification, as defined by the rule.

*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE2 of less than 200,000 pounds per year of CO.

a. New emissions units – PE > 2 lb/day

As discussed in Section I above, there are no new emissions units associated with this project; therefore BACT for new units with PE > 2 lb/day purposes is not triggered.

b. Relocation of emissions units – PE > 2 lb/day

As discussed in Section I above, there are no emissions units being relocated from one stationary source to another; therefore BACT is not triggered.

c. Modification of emissions units – AIPE > 2 lb/day

$$\text{AIPE} = \text{PE2} - \text{HAPE}$$

Where,

AIPE = Adjusted Increase in Permitted Emissions, (lb/day)

PE2 = Post-Project Potential to Emit, (lb/day)

HAPE = Historically Adjusted Potential to Emit, (lb/day)

$$\text{HAPE} = \text{PE1} \times (\text{EF2}/\text{EF1})$$

Where,

PE1 = The emissions unit's Potential to Emit prior to modification or relocation, (lb/day)

EF2 = The emissions unit's permitted emission factor for the pollutant after modification or relocation. If EF2 is greater than EF1 then EF2/EF1 shall be set to 1

EF1 = The emissions unit's permitted emission factor for the pollutant before the modification or relocation

$$\text{AIPE} = \text{PE2} - (\text{PE1} * (\text{EF2} / \text{EF1}))$$

Since emissions are fugitive in nature both pre and post project, the emission factors will be considered to be identical; therefore, EF1 = EF2.

S-37-17:

$$\begin{aligned} \text{AIPE} &= 4.3 - 23.9 \\ &= -19.6 \text{ lb/day} \end{aligned}$$

As demonstrated above, the AIPE is not greater than 2.0 lb/day for VOC emissions; therefore BACT is not triggered.

d. SB 288/Federal Major Modification

As discussed in Section VII.C.7 above, this project does not constitute a SB 288 and/or Federal Major Modification for VOC emissions; therefore BACT is not triggered for any pollutant.

B. Offsets

1. Offset Applicability

Pursuant to Section 4.5.3, offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the Post Project Stationary Source Potential to Emit (SSPE2) equals to or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

The following table compares the post-project facility-wide annual emissions in order to determine if offsets will be required for this project.

Offset Determination (lb/year)					
	NO_x	SO_x	PM₁₀	CO	VOC
Post Project SSPE (SSPE2)	>20,000	>54,750	>29,200	>200,000	>20,000
Offset Threshold	20,000	54,750	29,200	200,000	20,000
Offsets triggered?	Yes	Yes	Yes	Yes	Yes

2. Quantity of Offsets Required

As seen above, the facility is an existing Major Source for VOC (the only pollutant of concern in this project) and the SSPE2 is greater than the offset thresholds; therefore offset calculations will be required for this project.

Per Sections 4.7.1 and 4.7.3, the quantity of offsets in pounds per year for NO_x is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

Offsets Required (lb/year) = $(\Sigma[PE2 - BE] + ICCE) \times DOR$, for all new or modified emissions units in the project,

Where,

PE2 = Post Project Potential to Emit, (lb/year)

BE = Baseline Emissions, (lb/year)

ICCE = Increase in Cargo Carrier Emissions, (lb/year)

DOR = Distance Offset Ratio, determined pursuant to Section 4.8

BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, Located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE)

As calculated in Section VII.C.6 above, the Baseline Emissions (BE) from this unit are equal to the Pre-Project Potential to Emit (PE1) since the unit is a Clean Emissions Unit.

Also, there are no increases in cargo carrier emissions; therefore offsets can be determined as follows:

Offsets Required (lb/year) = PE2 – BE

S-37-17:

Offsets Required (lb/year) = 1,583 – 8,740
= -7,157 lb VOC/year

As demonstrated in the calculation above, the amount of offsets is zero; therefore, offsets will not be required for this project.

C. Public Notification

1. Applicability

Public noticing is required for:

- a. New Major Sources, Federal Major Modifications, and SB288 Major Modifications,
- b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- c. Any project which results in the offset thresholds being surpassed, and/or
- d. Any project with an SSPE of greater than 20,000 lb/year for any pollutant.

a. New Major Sources, Federal Major Modifications, and SB288 Major Modifications

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

As demonstrated in VII.C.7, this project does not constitute a SB 288 or Federal Major Modification; therefore, public noticing for SB 288 or Federal Major Modification purposes is not required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. There are no new emissions units associated with this project; therefore public noticing is not required for this project for Potential to Emit Purposes.

c. Offset Threshold

The following table compares the SSPE1 with the SSPE2 in order to determine if any offset thresholds have been surpassed with this project.

Offset Threshold				
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?
NO _x	>20,000	>20,000	20,000 lb/year	No
SO _x	>54,750	>54,750	54,750 lb/year	No
PM ₁₀	>29,200	>29,200	29,200 lb/year	No
CO	>200,000	>200,000	200,000 lb/year	No
VOC	>20,000	>20,000	20,000 lb/year	No

As detailed above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

d. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a Stationary Source Increase in Permitted Emissions (SSIPE) of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE is calculated as the Post Project Stationary Source Potential to Emit (SSPE2) minus the Pre-Project Stationary Source Potential to Emit (SSPE1), i.e. $SSIPE = SSPE2 - SSPE1$. The values for SSPE2 and SSPE1 are calculated according to Rule 2201, Sections 4.9 and 4.10, respectively. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table:

Stationary Source Increase in Permitted Emissions [SSIPE] – Public Notice					
Pollutant	SSPE2 (lb/year)	SSPE1 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	>20,000	>20,000	0	20,000 lb/year	No
SO _x	>54,750	>54,750	0	20,000 lb/year	No
PM ₁₀	>29,200	>29,200	0	20,000 lb/year	No
CO	>200,000	>200,000	0	20,000 lb/year	No
VOC	>20,000	>20,000	-7,157	20,000 lb/year	No

As demonstrated above, the SSIPEs for all pollutants were less than 20,000 lb/year; therefore public noticing for SSIPE purposes is not required.

2. Public Notice Action

As discussed above, this project will not result in emissions, for any pollutant, which would subject the project to any of the noticing requirements listed above. Therefore, public notice will not be required for this project.

D. Daily Emission Limits (DELs)

Daily Emissions Limitations (DELs) and other enforceable conditions are required by Section 3.15 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. Per Sections 3.15.1 and 3.15.2, the DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT. No change in Rule 2201 conditions are proposed for permit S-37-8.

Proposed Rule 2201 (DEL) Conditions:

- VOC fugitive emissions from the components in gas service on this tank and on piping from this tank to the control system listed on Permit to Operate S-37-8 shall not exceed 4.3 lb/day. [District Rule 2201]
- Except as otherwise provided in this permit, the operator shall ensure that the vapor control system is functional and is operating as designed at all times. [District Rule 2201]

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required to demonstrate compliance with Rule 2201.

2. Monitoring

No monitoring is required to demonstrate compliance with Rule 2201.

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification and daily emission limit requirements of Rule 2201. The following condition(s) will appear on the permit to operate:

- Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201 and 4623]
- Permittee shall maintain with the permit accurate fugitive component counts for components on this tank and on piping from this tank to the vapor control system listed on S-37-8 and resulting emissions calculated using CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2a (1995) Protocol Refinery Screening Value Range Emission Factors. [District Rules 2201]

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. Section 3.29 defines a significant permit modification as a "permit amendment that does not qualify as a minor permit modification or administrative amendment."

Section 3.20.2 states that a minor permit modifications "Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions".

Kern has proposed removing the following inspection and recordkeeping condition from ATC S-37-8 as it is not required for this loading rack by any applicable rule:

- ~~The permittee shall conduct and record maintenance inspections of the loading and vapor-recovery equipment using sight, sound, and smell to detect leaks five days per week. [District Rules 4621 and 4624]~~

As a result, the proposed project constitutes a Significant Modification to the Title V Permit pursuant to Section 3.29.

Rule 4001 New Source Performance Standards (NSPS)

40 CFR Part 60, Subpart A, section 14, defines the meaning of modification to which the standards are applicable. §60.14, paragraph (e)(5) states that the following will not be considered as a modification: *“the addition or use of any system or device whose primary function is the reduction of air pollutants, except when an emission control system is removed or replaced by a system which the Administrator determines to be less environmentally beneficial”*.

No newly constructed or reconstructed units are proposed in this project, nor is the unit being modified (as defined above). Since the permittee is retrofitting the tank with a more environmentally beneficial emission control system the requirements of these sections do not apply to the unit.

Rule 4101 Visible Emissions

Per Section 5.0, no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). As emissions from these operations are of fugitive gas nature, visible emissions are not expected to exceed Ringelmann 1 or 20% opacity. Also, based on past inspections of the facility continued compliance is expected.

Rule 4102 Nuisance

Section 4.0 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, compliance with this rule is expected.

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 – Risk Management Policy for Permitting New and Modified Sources specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

As demonstrated above, there are no increases in emissions associated with this project, therefore a health risk assessment is not necessary and no further risk analysis is required.

California Health & Safety Code 42301.6 (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

Rule 4455 Components at Petroleum Refineries, Gas Liquids Processing Facilities, and Chemical Plants (4/20/05)

This rule applies to components containing or contacting a VOC at a petroleum refinery, gas liquids processing facility, or chemical plant.

The facility-wide permit contains conditions to enforce the requirements of this rule on the loading rack listed on permit S-37-8. The following condition does not appear on the facility-wide permit and will remain on the loading rack Permit to Operate:

- The permittee shall maintain accurate records of exempt and non-exempt components and their associated function in the Operator Management Plan (OMP) as required in section 6.1 of Rule 4455. Permit holder shall update the Operator Management Plan when new components are installed. By January 30 of each year, an annual report indicating any changes to an existing Operator Management Plan shall be submitted to the APCO. [District Rule 4455]

Section 4.1 states that components subject to Rule 4623 are not subject to this Rule. The components associated with the tank listed on permit S-37-17 are subject to Rule 4623; therefore this rule does not apply to the components listed on '-17.

Rule 4621 Gasoline Transfer into Stationary Storage Containers, Delivery Vessels and Bulk Plants

This rule applies to storage containers located at bulk plants with capacities greater than 250 gallons and less than 19,800 gallons; to other stationary storage containers with capacities greater than 250 gallons; and to those storage containers that are not subject to the control requirements of Rule 4623 (Storage of Organic Liquids) Section 5.0. The rule also applies to gasoline delivery vessels.

This rule applies to loading of gasoline delivery vessels only as all tanks at the facility are either subject to Rule 4623 or less than 250 gallons and the facility does not unload gasoline. Diesel and other organic product loading operations are subject to Rule 4624.

Section 5.1 states "loading equipment and vapor collection equipment shall be installed, maintained, and operated such that it is leak-free, with no excess organic liquid drainage at disconnect."

Section 3.19 defines a leak as the dripping of VOC-containing liquid at a rate of more than three (3) drops per minute, or the detection of any gaseous or vapor emissions with a concentration or total organic compound greater than 10,000 ppmv, as methane, above background when measured in accordance with the test method in Section 6.4.3. Any liquid or gas coming from a component undergoing repair or replacement, or during sampling of process fluid from a component or equipment into a container is not considered sampling of a

leak provided such activities are accomplished as expeditiously as possible and with minimal spillage of material and VOC emissions to the atmosphere.

Therefore, the following permit conditions will be placed on the permit to ensure compliance with these requirements:

- The organic liquid and gasoline loading operation shall be equipped with bottom loading equipment with a vapor collection and control system meeting the requirements listed in this permit. [District Rules 4621 and 4624]
- Transfer rack and vapor collection and control equipment shall be designed, installed, maintained in accordance with the manufacturer's specifications, and operated such that there are no leaks or excess organic liquid drainage at disconnections as defined herein. [District Rules 4621 and 4624]
- During unloading of gasoline, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or a reading greater than 100 percent of the Lower Explosive Limit (21,000 ppmv as propane) in accordance with EPA Method 21. [District Rule 4621]
- For components used in the gasoline loading operation, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or the detection of organic compounds, in excess of 10,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. Excess liquid drainage shall be defined as exceeding 10 milliliters per average of 3 consecutive disconnects. [District Rules 4621 and 4624]

Section 5.2.1 states "no person shall transfer, or permit the transfer, of gasoline from any delivery vessel into any stationary storage container subject to the requirements of this rule unless such container is equipped with an ARB certified permanent submerged fill pipe and utilizes an ARB certified Phase I vapor recovery system that is maintained and operated according to manufacturer specifications and the applicable ARB Executive Order."

Kern Oil does not transfer gasoline into any stationary storage container with this loading rack. Therefore this section does not apply.

Section 5.2.4 states "operators shall have all underground storage container installations and all underground piping configurations inspected by the APCO prior to backfilling. The operator shall notify the District by telephone or other District-approved method and obtain a confirmation number at least three business days prior to the backfilling."

As this equipment is already installed, notification prior to backfilling is not required.

Section 5.3.3 and 5.3.5 apply to underground storage containers. This permit lists only a loading rack; therefore, these sections are not applicable.

Section 5.5 states "all Phase I vapor recovery systems shall be inspected according to the frequency specified in Table 1. The person conducting the inspections shall, at a minimum, verify that the fill caps and vapor caps are not missing, damaged, or loose, that the fill cap gasket and vapor cap gaskets are not missing or damaged, that the fill adapter and vapor adapter are securely attached to the risers, that, where applicable, the spring-loaded submerged fill tube seals properly against the coaxial tubing, and the dry break (poppet-valve) is not missing or damaged and that the submerged fill tube is not missing or damaged."

Kern Oil does not transfer gasoline into any stationary storage container with this loading rack. Therefore this section does not apply.

Section 5.7.2 states “no person shall operate, or allow the operation of a delivery vessel unless valid State of California decals which attest to the vapor integrity of the container are displayed.” Therefore, the following condition will be listed on the permit to ensure compliance with this requirement:

- No gasoline delivery vessel shall be used or operated unless it is leak-free. No gasoline delivery vessel shall be operated or loaded unless valid State of California decals are displayed on the cargo tank, attesting to the vapor integrity of the tank as verified by annual performance of CARB required Certification and Test Procedures for Vapor Recovery Systems for Cargo Tanks (Executive Order G-70-10-A) or EPA Method 27 for testing delivery vessels owned or operated by this facility. [District Rule 4621, Health & Safety Code, section 41962, and CCR, Title 17 section 94004]

Section 6.1.4 states “all records required to demonstrate compliance with the requirements of this rule shall be retained on the premises for a minimum of five years and made available on site during normal business hours to the APCO, ARB, or EPA, and submitted to the APCO, ARB, or EPA upon request.”

Therefore, the following conditions will be listed on the permit to ensure compliance with this requirement:

- Records of daily throughput of each loading rack shall be maintained and made available to the APCO, ARB, or EPA during normal business hours. [District Rules 2201, 4621, and 4624]
- All inspections shall be documented within the inspection log. Inspection records shall include, at a minimum, 1) date of inspection, 2) location and description of any missing, loose, leaking, or damaged equipment and any malfunction requiring repair, 3) corrective steps taken to repair or replace the equipment, 4) test method and results for leak and drainage inspections, 5) location and description of any of equipment which shall be inspected upon commencing operation after repair or replacement and 6) inspector name and signature. [District Rules 4621 and 4624]

Section 6.2 lists performance testing requirements for Phase I vapor recovery systems. This loading rack is not equipped with such equipment; therefore the requirements of these sections do not apply.

Section 6.3.1 states “on and after June 20, 2008, installation and maintenance contractors shall be certified by the ICC for Vapor Recovery System Installation and Repair (VI) and make available onsite proof of ICC certification for VI, and have and make available on site proof of any and all certifications required by the Executive Order and installation and operation manual in order to install or maintain specific systems, or work under the direct and personal supervision of an individual physically present at the work site who possesses and makes available onsite a current certificate from the ICC, indicating he or she has passed the VI exam and all certifications required by the applicable Executive Order.”

Section 6.3.2 states “All ICC certifications shall be renewed every 24 months by passing the appropriate exam specific to the certification being sought.”

Section 6.3.3 states "Effective on and after March 21, 2008, Gasoline Dispensing Facility Testers wishing to conduct vapor recovery system testing and repair at facilities located within the District, shall be in full compliance with District Rule 1177 (Gasoline Dispensing Facility Tester Certification)."

The existing vapor recovery system is not a Phase I vapor recovery system and is not required to comply with any executive orders at this time; therefore, the requirements of these sections do not apply.

Rule 4623 Storage of Organic Liquids

This rule limits volatile organic compound (VOC) emissions from the storage of organic liquids. It applies to any tank with a capacity of 1,100 gallons or greater in which any organic liquid is placed, held, or stored.

Section 5.1 requires that no organic liquid shall be placed, held, or stored in any tank unless the tank is equipped with a VOC control system identified in Table 1. This section also requires that tanks operate in a leak-free condition except as allowed in Section 5.2.

Section 5.2 lists requirements for pressure relief valves. The tank listed on S-37-17 will be equipped with vapor control; therefore this section is not applicable.

Section 5.3 lists requirements for external floating roof tanks. The tank listed on S-37-17 will be equipped with vapor control; therefore this section is not applicable.

Section 5.4 lists requirements for internal floating roof tanks. The tank listed on S-37-17 will be equipped with vapor control; therefore this section is not applicable.

Section 5.5 lists requirements for floating roof deck fittings. The tank listed on S-37-17 will be equipped with vapor control; therefore this section is not applicable.

Section 5.6 lists requirements for vapor recovery systems. Fixed roof tanks shall be fully enclosed and shall be maintained in a leak-free condition. An APCO-approved vapor recovery system shall consist of a closed system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be maintained in a leak-free condition.

The VOC control device shall be one of the following:

- A condensation or vapor return system that connects to one of the following: a gas processing plant, a field gas pipeline, a pipeline distributing Public Utility Commission quality gas for sale, an injection well for disposal of vapors as approved by the California Department of Conservation, Division of Oil Gas, and Geothermal Resources, or
- A VOC control device that reduces the inlet VOC emissions by at least 95 percent by weight as determined by the test method specified in Section 6.4.6.

Additionally any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling and all piping, valves, and fittings shall be constructed and maintained in a leak-free condition.

The following conditions will ensure compliance with this section of the rule:

- A leak free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 4623]
- Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rules 2201 and 4623]

Section 5.7 lists voluntary tank preventive inspection and maintenance, and tank interior cleaning requirements. Kern has not requested any additional I&M or tank cleaning allowances; therefore this section is not applicable.

Section 6.2 lists TVP and API gravity testing for uncontrolled fixed roof tanks. This tank is not uncontrolled; therefore this section of the rule is not applicable.

Section 6.3 requires that all records be retained for a period of five years. The following condition will be listed on the permits to ensure compliance:

- Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]

Rule 4624 Organic Liquid Loading

The purpose of this rule is to limit VOC emissions from the transfer of organic liquids.

Section 3.17 defines a leak as the dripping of VOC-containing liquid at a rate of more than three (3) drops per minute; or

Section 3.17.1 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 shall constitute a leak

Section 3.17.2 For 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 shall constitute a leak.

Section 3.17.3 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.

The following conditions will be included on the ATC:

- During unloading of gasoline, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or a reading greater than 100 percent of the Lower Explosive Limit (21,000 ppmv as propane) in accordance with EPA Method 21. [District Rule 4621]
- For components used in the gasoline loading operation, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or the detection of organic compounds, in excess of 10,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. Excess liquid drainage shall be defined as exceeding 10 milliliters per average of 3 consecutive disconnects. [District Rules 4621 and 4624]
- For delivery vessels and components used in the organic liquid transfer operation, a leak shall be defined as the detection of organic compounds, in excess of 1,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. [District Rule 4624]

Section 5.1 requires a Class 1 organic liquid transfer facilities emissions of VOC from the transfer operation to not exceed 0.08 pounds per 1,000 gallons of organic liquid transferred and use one of the following systems:

5.1.1 An organic liquid loading operation shall be bottom loaded.

5.1.2 The VOC from the transfer operation shall be routed to:

5.1.2.1 A vapor collection and control system;

5.1.2.2 A fixed roof container that meets the control requirements specified in Rule 4623 (Storage of Organic Liquids);

5.1.2.3 A floating roof container that meets the control requirements specified in Rule 4623 (Storage of Organic Liquids); or

5.1.2.4 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

5.1.2.5 A closed VOC emission control system.

The following conditions will be included on the ATC:

- All liquids and gases from the transfer operation 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 Rules 4623 and 4624]

- The vapor collection and control system shall operate such that VOC emissions do not exceed 0.08 lb/1000 gallons of organic liquid loaded; maintains at least 95% capture and control efficiency of VOC and which operates so the delivery tank does not exceed 18 inches water column pressure nor 6 inches water column vacuum. [District Rule 4624]

Section 5.3 requires a transfer operation utilizing a closed VOC emission control system or utilizing a container that meets the control requirements of Rule 4623 (Storage of Organic Liquids) to meet the emission control requirements of this rule and demonstrate compliance with Sections 5.1 and 5.2 by complying with the leak inspection requirements of Section 5.9.

Section 5.4 The vapor collection and control system shall operate such that the pressure in the delivery tank being loaded does not exceed 18 inches water column pressure and six (6) inches water column vacuum. This section shall not apply to the transfer of liquefied petroleum gas.

Section 5.5 All delivery tanks which previously contained organic liquids with a TVP of 1.5 psia or greater at the storage container's maximum organic liquid storage temperature shall be filled only at transfer facilities satisfying Sections 5.1, 5.2, or 5.4, as applicable.

Section 5.6 The transfer rack and vapor collection equipment shall be designed, installed, maintained and operated such that there are no leaks and no excess organic liquid drainage at disconnections.

The following condition will be included on the ATC:

- Transfer rack and vapor collection and control equipment shall be designed, installed, maintained in accordance with the manufacturer's specifications, and operated such that there are no leaks or excess organic liquid drainage at disconnections as defined herein. [District Rules 4621 and 4624]

Section 5.7 does not allow the construction, reconstruction, or expansion of any new top loading facility, as defined in 40 CFR 60.15. This permit is not new, reconstructed, or expanding; therefore the requirements of this section are not applicable.

Section 5.8 allows organic liquid transfer facilities exclusively handling liquefied petroleum gas to not comply with the bottom loading provisions of Sections 5.1, 5.2 or 5.7, provided the operator complies with the emission limit of Section 5.1, 5.2 and the provisions of Section 5.6. This loading rack does not exclusively handle liquefied petroleum gas; therefore the requirements of this section are not applicable.

Section 5.9.1 requires the operator of an organic liquid transfer facility to 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.

The following condition will ensure compliance with this section:

- The operator shall perform and record the results of monthly leak and drainage inspections of the loading and vapor collection equipment at each loading arm. During the loading of gasoline or organic liquids, leak detection shall be conducted using EPA Method 21 measuring at a distance of one centimeter from the potential source. When not in current operation, excess drainage inspections shall be conducted before 10:00 am at the disconnect of each loading arm by collecting all drainage at disconnect in a container and determining the volume within one (1) minute of collection [District Rules 2520, 40 CFR 60.502(j) and 4624]

Section 5.9.3 requires that all equipment 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.

- Corrective steps shall be taken at any time the operator observes a leak or excess drainage at disconnect. All equipment 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]

Section 6.1.3 requires an operator subject to any part of Section 5.0 to keep records of daily liquid throughput and the results of any required leak inspections.

Section 6.1.4 requires records under Sections 6.1.1, 6.1.2, 6.1.3 to be retained for a minimum of five years and shall be made readily available to the APCO, ARB, or EPA during normal business hours and submitted upon request to the APCO, ARB, or EPA.

The following conditions will be included on the ATC:

- All inspections shall be documented within the inspection log. Inspection records shall include, at a minimum, 1) date of inspection, 2) location and description of any missing, loose, leaking, or damaged equipment and any malfunction requiring repair, 3) corrective steps taken to repair or replace the equipment, 4) test method and results for leak and drainage inspections, 5) location and description of any of equipment which shall be inspected upon commencing operation after repair or replacement and 6) inspector name and signature. [District Rules 4621 and 4624]
- Records of daily throughput of each loading rack shall be maintained and made available to the APCO, ARB, or EPA during normal business hours. [District Rules 2201, 4621, and 4624]
- Copies of all records shall be retained for a minimum of five (5) years after the date of an entry. Such records shall be made available to the APCO, ARB, or US EPA upon request. [District Rules 1070, 4621, 4624, and 4455, 6.2.2, 6.2.3 & 6.2.4]

Compliance with this rule is expected.

California Environmental Quality Act (CEQA)

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The San Joaquin Valley Unified Air Pollution Control District (District) adopted its *Environmental Review Guidelines* (ERG) in 2001.

The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities;
- Identify the ways that environmental damage can be avoided or significantly reduced;
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible; and
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Greenhouse Gas (GHG) Significance Determination

It is determined that no other agency has or will prepare an environmental review document for the project. Thus the District is the Lead Agency for this project.

The District's engineering evaluation (this document) demonstrates that the project would not result in an increase in project specific greenhouse gas emissions. The District therefore concludes that the project would have a less than cumulatively significant impact on global climate change.

District CEQA Findings

The District is the Lead Agency for this project because there is no other agency with broader statutory authority over this project. The District performed an Engineering Evaluation (this document) for the proposed project and determined that the activity will occur at an existing facility and the project involves negligible expansion of the existing use. Furthermore, the District determined that the activity will not have a significant effect on the environment. The District finds that the activity is categorically exempt from the provisions of CEQA pursuant to CEQA Guideline § 15031 (Existing Facilities), and finds that the project is exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Pending a successful EPA review period, issue Authorities to Construct S-37-8-30 and -17-4 subject to the permit conditions on the attached draft Authorities to Construct in **Appendix A**.

X. Billing Information

Annual Permit Fees			
Permit Number	Fee Schedule	Fee Description	Annual Fee
S-37-8-30	3020-02-F	415 hp	\$607.00
S-37-17-4	3020-05-F	504,000 gallons	\$301.00

Appendices

- A: Draft ATCs
- B: Current PTOs
- C: BACT Guideline
- D: Floating Roof Tank Emissions Summary
- E: Fugitive Component Emissions Tabulation
- F: SSPE Tabulation
- G: Quarterly Net Emissions Change
- H: Emissions Profiles
- I: Compliance Certification

Appendix A

Draft ATCs

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-37-8-30

LEGAL OWNER OR OPERATOR: KERN OIL & REFINING CO.
MAILING ADDRESS: 7724 E PANAMA LANE
BAKERSFIELD, CA 93307-9210

LOCATION: PANAMA LN & WEEDPATCH HWY
BAKERSFIELD, CA 93307-9210

SECTION: 25 TOWNSHIP: 30S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF ORGANIC LIQUID LOADING AREAS AND REFINERY VAPOR RECOVERY SYSTEM INCLUDING COMPRESSOR(S), LOADING RACKS WITH UP TO 22 PRODUCT LINES AND UP TO 18 VAPOR RETURN LINES: ATTACH TANK 12001 TO VAPOR CONTROL SYSTEM LISTED ON S-37-8

CONDITIONS

1. {1830} 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. {1831} 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. Transfer Racks N and F may be used for loading and unloading. Transfer Racks A, K, and L shall be used only for loading. [District Rule 2201] Federally Enforceable Through Title V Permit
4. All liquids and gases from the transfer operation 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 Rules 4623 and 4624] 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.

Seyed Sadredin, Executive Director, APCO

DAVID WARNER, Director of Permit Services

S-37-8-30 : Feb 9 2012 3:00PM -- RICKARDX : Joint Inspection : NOT Required

5. 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
6. For the transfer of gasoline only, transfer to any stationary storage container with 250 gallon capacity or more, that is not subject to Rule 4623, shall not be allowed unless the container is equipped with a permanent submerged fill pipe and an ARB certified Phase I vapor recovery system, which is maintained and operated according to the manufacturer's specifications, or a vapor recovery system with 95% control approved by the District. [District Rule 4621] Federally Enforceable Through Title V Permit
7. All delivery tanks which previously contained organic liquids, including gasoline, with a TVP 1.5 psia or greater at the storage container's maximum organic liquid storage temperature shall be filled only at Class 1 or Class 2 loading facilities that meet the vapor collection and control requirements of District Rule 4624 or listed herein. [District Rule 4624] Federally Enforceable Through Title V Permit
8. Construction, reconstruction (as defined in District Rule 4001) or expansion of any top loading facility shall not be allowed. [District Rule 4624] Federally Enforceable Through Title V Permit
9. The organic liquid and gasoline loading operation shall be equipped with bottom loading equipment with a vapor collection and control system meeting the requirements listed in this permit. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
10. Transfer rack and vapor collection and control equipment shall be designed, installed, maintained in accordance with the manufacturers specifications, and operated such that there are no leaks or excess organic liquid drainage at disconnections as defined herein. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
11. During unloading of gasoline, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or a reading greater than 100 percent of the Lower Explosive Limit (21,000 ppmv as propane) in accordance with EPA Method 21. [District Rule 4621] Federally Enforceable Through Title V Permit
12. For components used in the gasoline loading operation, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or the detection of organic compounds, in excess of 10,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. Excess liquid drainage shall be defined as exceeding 10 milliliters per average of 3 consecutive disconnects. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
13. For delivery vessels and components used in the organic liquid transfer operation, a leak shall be defined as the detection of organic compounds, in excess of 1,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. [District Rule 4624] Federally Enforceable Through Title V Permit
14. Equipment under vapor control shall not vent to atmosphere. [District Rules 4621 and 4624.] Federally Enforceable Through Title V Permit
15. The vapor collection and control system shall operate such that VOC emissions do not exceed 0.08 lb/1000 gallons of organic liquid loaded; maintains at least 95% capture and control efficiency of VOC and which operates so the delivery tank does not exceed 18 inches water column pressure nor 6 inches water column vacuum. [District Rule 4624] Federally Enforceable Through Title V Permit
16. No gasoline delivery vessel shall be used or operated unless it is leak-free. No gasoline delivery vessel shall be operated or loaded unless valid State of California decals are displayed on the cargo tank, attesting to the vapor integrity of the tank as verified by annual performance of CARB required Certification and Test Procedures for Vapor Recovery Systems for Cargo Tanks (Executive Order G-70-10-A) or EPA Method 27 for testing delivery vessels owned or operated by this facility. [District Rule 4621, Health & Safety Code, section 41962, and CCR, Title 17 section 94004] Federally Enforceable Through Title V Permit
17. Measurements of leak concentrations for organic liquid delivery vessels, including gasoline, shall be conducted according to the ARB Test Procedure for Determination of Leaks, TP-204.3, or EPA Method 21. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
18. VOC emission rate from diesel loading rack shall not exceed any of the following: Fugitive emissions: 0.12 lb/hr and vapor recovery system: 0.09 lb/hr. [District Rule 4624] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

19. VOC emission rate from fugitive components associated with the refinery vapor control system shall not exceed 6.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
20. During loading of a delivery vessel, the truck-mounted vapor return line shall be connected to the vapor recovery system listed on this permit. [District Rules 2201 and 4621] Federally Enforceable Through Title V Permit
21. A delivery vessel loading gasoline shall discontinue if its pressure relief valve opens. Corrective action shall be taken should this condition occur. [District Rules 2520 and 4621] Federally Enforceable Through Title V Permit
22. Switch loading shall not be conducted unless such transfer is made using an ARB certified vapor recovery system. [District Rules 2201 and 4621] Federally Enforceable Through Title V Permit
23. Operators shall conduct all performance tests required by the facility installation and operations manual as per the frequency outlined therein or as designated by the APCO. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
24. The operator shall perform and record the results of monthly leak and drainage inspections of the loading and vapor collection equipment at each loading arm. During the loading of gasoline or organic liquids, leak detection shall be conducted using EPA Method 21 measuring at a distance of one centimeter from the potential source. When not in current operation, excess drainage inspections shall be conducted before 10:00 am at the disconnect of each loading arm by collecting all drainage at disconnect in a container and determining the volume within one (1) minute of collection [District Rules 2520, 40 CFR 60.502(j) and 4624] Federally Enforceable Through Title V Permit
25. The leak detection instrument shall be calibrated each day of its use, prior to use, by the procedures specified in Method 21 using the following calibration gases: A) Zero air (less than 10 ppm of hydrocarbon in air); and B) Mixture of methane or n-hexane and air at a concentration of about, but less than, 10,000 ppm methane or n-hexane. [District Rules 2520, 9.3.2 and 4624] Federally Enforceable Through Title V Permit
26. Corrective steps shall be taken at any time the operator observes a leak or excess drainage at disconnect. All equipment 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
27. All inspections shall be documented within the inspection log. Inspection records shall include, at a minimum, 1) date of inspection, 2) location and description of any missing, loose, leaking, or damaged equipment and any malfunction requiring repair, 3) corrective steps taken to repair or replace the equipment, 4) test method and results for leak and drainage inspections, 5) location and description of any of equipment which shall be inspected upon commencing operation after repair or replacement and 6) inspector name and signature. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
28. Records of daily throughput of each loading rack shall be maintained and made available to the APCO, ARB, or EPA during normal business hours. [District Rules 2201, 4621, and 4624] Federally Enforceable Through Title V Permit
29. The permittee shall maintain accurate records of exempt and non-exempt components and their associated function in the Operator Management Plan (OMP) as required in section 6.1 of Rule 4455. Permit holder shall update the Operator Management Plan when new components are installed. By January 30 of each year, an annual report indicating any changes to an existing Operator Management Plan shall be submitted to the APCO. [District Rule 4455] Federally Enforceable Through Title V Permit
30. 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), CAPCOA-Revised 1995 EPA Correlation Equations and Factors for Refineries and Marketing Terminals. Components shall be screened and leak rate shall be measured at least once each quarter. If compliance with the daily emission limit is shown during each of five (5) consecutive quarterly inspections, the inspection frequency may be changed from quarterly to annual. If any annual inspection shows non-compliance with the daily emission limit, then quarterly inspections shall be resumed. [District Rule 2201] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

31. Copies of all records shall be retained for a minimum of five (5) years after the date of an entry. Such records shall be made available to the APCO, ARB, or US EPA upon request. [District Rules 1070, 4621, 4624, and 4455, 6.2.2, 6.2.3 & 6.2.4] Federally Enforceable Through Title V Permit

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San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
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PERMIT NO: S-37-17-4

LEGAL OWNER OR OPERATOR: KERN OIL & REFINING CO.
MAILING ADDRESS: 7724 E PANAMA LANE
BAKERSFIELD, CA 93307-9210

LOCATION: PANAMA LN & WEEDPATCH HWY
BAKERSFIELD, CA 93307-9210

SECTION: 25 TOWNSHIP: 30S RANGE: 28E

EQUIPMENT DESCRIPTION:
MODIFICATION OF 12,000 BBL WELDED EXTERNAL FLOATING ROOF STORAGE TANK #12001: CONVERT
FLOATING ROOF TO A FIXED ROOF AND CONNECT TO VAPOR CONTROL SYSTEM LISTED ON S-37-8

CONDITIONS

1. {1830} 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. {1831} 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. VOC fugitive emissions from the components in gas service on this tank and on piping from this tank to the control system listed on Permit to Operate S-37-8 shall not exceed 4.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Except as otherwise provided in this permit, the operator shall ensure that the vapor control system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
5. All piping, valves, and fittings shall be constructed and maintained in a leak free condition. [District Rule 4623] 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.

Seyed Sadredin, Executive Director, APCO

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DAVID WARNER, Director of Permit Services

S-37-17-4 - Feb 14 2012 2:48PM - RBC/GARDK Joint Inspection NOT Required

6. A leak free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 4623] Federally Enforceable Through Title V Permit
7. Any tank gauging or sampling device on a tank vented to the vapor control system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
8. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit
9. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit
10. Upon detection of a gas leak, defined as a VOC concentration of greater than 10,000 ppmv measured in accordance with EPA Method 21, operator shall take one of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit
11. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit
12. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit
13. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit
14. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201 and 4623, Table 3] Federally Enforceable Through Title V Permit
15. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
16. Permittee shall maintain with the permit accurate fugitive component counts for components on this tank and on piping from this tank to the vapor control system listed on S-37-8 and resulting emissions calculated using CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2a (1995) Protocol Refinery Screening Value Range Emission Factors. [District Rules 2201] Federally Enforceable Through Title V Permit

17. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623] Federally Enforceable Through Title V Permit
18. Construction, reconstruction, or modification of this unit was commenced prior to June 11, 1973. Therefore, the requirements of 40CFR 60 Subpart K, Ka and Kb do not apply to this source. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

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Appendix B

Current PTOs

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-37-8-23

EXPIRATION DATE: 08/31/2016

SECTION: 25 TOWNSHIP: 30S RANGE: 28E

EQUIPMENT DESCRIPTION:

ORGANIC LIQUID LOADING AREAS AND REFINERY VAPOR RECOVERY SYSTEM INCLUDING COMPRESSOR(S), LOADING RACKS WITH UP TO 22 PRODUCT LINES AND UP TO 18 VAPOR RETURN LINES

PERMIT UNIT REQUIREMENTS

1. All liquids and gases from the transfer operation 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 Rules 4623 and 4624] Federally Enforceable Through Title V Permit
2. 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
3. For the transfer of gasoline only, transfer to any stationary storage container with 250 gallon capacity or more shall not be allowed unless the container is equipped with a permanent submerged fill pipe and an ARB certified Phase I vapor recovery system, which is maintained and operated according to the manufacturers specifications, or a vapor recovery system with 95% control approved by the District. [District Rule 4621] Federally Enforceable Through Title V Permit
4. All delivery tanks which previously contained organic liquids, including gasoline, with a TVP 1.5 psia or greater at the storage container's maximum organic liquid storage temperature shall be filled only at Class 1 or Class 2 loading facilities that meet the vapor collection and control requirements of District Rule 4624 or listed herein. [District Rule 4624] Federally Enforceable Through Title V Permit
5. Construction, reconstruction (as defined in District Rule 4001 or expansion of any top loading facility shall not be allowed. [District Rule 4624] Federally Enforceable Through Title V Permit
6. The organic liquid and gasoline loading operation shall be equipped with bottom loading equipment with a vapor collection and control system meeting the requirements listed in this permit. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
7. Transfer rack and vapor collection and control equipment shall be designed, installed, maintained in accordance with the manufacturers specifications, and operated such that there are no leaks or excess organic liquid drainage at disconnections as defined herein. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
8. For gasoline delivery vessels, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or a reading greater than 100 percent of the Lower Explosive Limit (21,000 ppmv as propane) in accordance with EPA Method 21. [District Rule 4621]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

9. For components used in the gasoline loading operation, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or the detection of organic compounds, in excess of 10,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. Excess liquid drainage shall be defined as exceeding 10 milliliters per average of 3 consecutive disconnects. [District Rules 4621 and 4624]
10. For delivery vessels and components used in the organic liquid transfer operation, a leak shall be defined as the detection of organic compounds, in excess of 1,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. [District Rule 4624]
11. Equipment under vapor control shall not vent to atmosphere. [District Rules 4621 and 4624.] Federally Enforceable Through Title V Permit
12. The vapor collection and control system shall operate such that VOC emissions do not exceed 0.08 lb/1000 gallons of organic liquid loaded; maintains at least 95% capture and control efficiency of VOC and which operates so the delivery tank does not exceed 18 inches water column pressure nor 6 inches water column vacuum. [District Rule 4624] Federally Enforceable Through Title V Permit
13. No gasoline delivery vessel shall be used or operated unless it is vapor tight. No gasoline delivery vessel shall be operated or loaded unless valid State of California decals are displayed on the cargo tank, attesting to the vapor integrity of the tank as verified by annual performance of CARB required Certification and Test Procedures for Vapor Recovery Systems for Cargo Tanks (Executive Order G-70-10-A) or EPA Method 27 for testing delivery vessels owned or operated by this facility. [District Rule 4621, Health & Safety Code, section 41962, and CCR, Title 17 section 94004] Federally Enforceable Through Title V Permit
14. Measurements of leak concentrations for organic liquid delivery vessels, including gasoline, shall be conducted according to the ARB Test Procedure for Determination of Leaks, TP-204.3, or EPA Method 21. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
15. VOC emission rate from diesel loading rack shall not exceed any of the following: Fugitive emissions: 0.12 lb/hr and vapor recovery system: 0.09 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit
16. VOC emission rate from fugitive components associated with the refinery vapor control system shall not exceed 6.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
17. During loading of a delivery vessel, the truck-mounted vapor return line shall be connected to the vapor recovery system listed on this permit. [District Rules 2201 and 4621] Federally Enforceable Through Title V Permit
18. A delivery vessel loading gasoline shall discontinue if its pressure relief valve opens. Corrective action shall be taken should this condition occur. [District Rules 2520 and 4621] Federally Enforceable Through Title V Permit
19. Switch loading shall not be conducted unless such transfer is made using the vapor recovery system. [District Rules 2201 and 4621] Federally Enforceable Through Title V Permit
20. Operators shall conduct all performance tests required by the facility installation and operations manual as per the frequency outlined therein or as designated by the APCO. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
21. The vapor recovery system shall be performance tested within 60 days of completion of installation or modification. The District shall be notified by the permittee 7 days prior to each test. The test results shall be submitted to the District no later than 30 days after each test. [District Rules 1081 and 4621] Federally Enforceable Through Title V Permit
22. VOC emissions from the vapor collection and control system shall be determined annually using 40 CFR 60.503. "Test Methods and Procedures" and EPA Reference Methods 2A, 2B, 25A and 25B and ARB Method 432, or ARB Method TP 203-1. [District Rule 4624] Federally Enforceable Through Title V Permit
23. Analysis of halogenated exempt VOC compounds shall be by ARB Method 432. [District Rule 4624] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

24. The permittee shall conduct and record maintenance inspections of the loading and vapor recovery equipment using sight, sound, and smell to detect leaks five days per week. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
25. The operator shall perform and record the results of monthly leak and drainage inspections of the loading and vapor collection equipment at each loading arm. During the loading of gasoline or organic liquids, leak detection shall be conducted using EPA Method 21 measuring at a distance of one centimeter from the potential source. When not in current operation, excess drainage inspections shall be conducted before 10:00 am at the disconnect of each loading arm by collecting all drainage at disconnect in a container and determining the volume within one (1) minute of collection [District Rules 2520, 40 CFR 60.502(j) and 4624] Federally Enforceable Through Title V Permit
26. The leak detection instrument shall be calibrated each day of its use, prior to use, by the procedures specified in Method 21 using the following calibration gases: A) Zero air (less than 10 ppm of hydrocarbon in air); and B) Mixture of methane or n-hexane and air at a concentration of about, but less than, 10,000 ppm methane or n-hexane. [District Rules 2520, 9.3.2 and 4624] Federally Enforceable Through Title V Permit
27. Corrective steps shall be taken at any time the operator observes a leak or excess drainage at disconnect. All equipment 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
28. All inspections shall be documented within the inspection log. Inspection records shall include, at a minimum, 1) date of inspection, 2) location and description of any missing, loose, leaking, or damaged equipment and any malfunction requiring repair, 3) corrective steps taken to repair or replace the equipment, 4) test method and results for leak and drainage inspections, 5) location and description of any of equipment which shall be inspected upon commencing operation after repair or replacement and 6) inspector name and signature. [District Rules 4621 and 4624] Federally Enforceable Through Title V Permit
29. Records of daily throughput of each loading rack shall be maintained and made available to the APCO, ARB, or EPA during normal business hours. [District Rules 2201, 4621, and 4624] Federally Enforceable Through Title V Permit
30. The permittee shall maintain accurate records of exempt and non-exempt components and their associated function in the Operator Management Plan (OMP) as required in section 6.1 of Rule 4455. Permit holder shall update the Operator Management Plan when new components are installed. By January 30 of each year, an annual report indicating any changes to an existing Operator Management Plan shall be submitted to the APCO. [District Rule 4455] Federally Enforceable Through Title V Permit
31. 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), CAPCOA-Revised 1995 EPA Correlation Equations and Factors for Refineries and Marketing Terminals. Components shall be screened and leak rate shall be measured at least once each quarter. If compliance with the daily emission limit is shown during each of five (5) consecutive quarterly inspections, the inspection frequency may be changed from quarterly to annual. If any annual inspection shows non-compliance with the daily emission limit, then quarterly inspections shall be resumed. [District Rule 2201] Federally Enforceable Through Title V Permit
32. Except for complying with the applicable requirements of Sections 6.1 and 7.3, the requirements of this rule shall not apply to 1) components subject to Rule 4623 (adopted 5/19/05), 2) pressure relief devices, pumps, and compressors equipped with a closed vent system as defined in Section 3.0, 3) components buried below ground, 4) components exclusively handling liquid streams which have less than 10 percent by weight (<10 wt%) evaporation at 150 C, 5) components exclusively handling liquid streams with a VOC content less than ten percent by weight (<10 wt%), 6) components exclusively handling gas/vapor streams with a VOC content of less than one percent by weight (<1 wt%), 7) components incorporated in lines exclusively in vacuum service, 8) components exclusively handling commercial natural gas, and 9) one-half inch nominal or less stainless steel tube fittings which have been demonstrated to the Air Pollution Control Officer (APCO) to be leak-free based on initial inspection. [District Rule 4455, 4.1 & 4.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

33. Except for components subject to Rule 4623 (Storage of Organic Liquids) or for components included in the inspection and maintenance (I&M) program implemented pursuant to Section 5.7 of Rule 4623, 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, 5.1.1] Federally Enforceable Through Title V Permit
34. 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, 5.1.2] Federally Enforceable Through Title V Permit
35. The operator shall be in violation of Rule 4455 if any District inspection demonstrates that one or more of the conditions in Section 5.1.4 (Leak Standards) exist at the facility. [District Rule 4455, 5.1.3.1] Federally Enforceable Through Title V Permit
36. Except for annual operator inspection described in Section 5.1.3.2.3, any operator inspection that demonstrates that 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, 5.1.3.2.1] Federally Enforceable Through Title V Permit
37. 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, 5.1.3.2.2] Federally Enforceable Through Title V Permit
38. 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, 5.1.3.2.3] Federally Enforceable Through Title V Permit
39. 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 Rule 4455 exist at the facility. Readings shall be taken as methane using a portable hydrocarbon detection instrument and shall be made in accordance with the methods specified in Section 6.4.1 of Rule 4455. [District Rule 4455, 5.1.4] Federally Enforceable Through Title V Permit
40. The operator shall audio-visually inspect for leaks all accessible operating pumps, compressors and Pressure Relief Devices (PRDs) in service at least once every 24 hours, except when operators do not report to the facility for that given 24 hours. Any identified leak that cannot be immediately repaired shall be reinspected within 24 hours using a portable analyzer. If a leak is found, it shall be repaired as soon as practical but not later than the time frame specified in Table 3. [District Rule 4455, 5.2.1 & 5.2.2] Federally Enforceable Through Title V Permit
41. 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, 5.2.3, 5.2.4, 5.2.5, 5.2.6 & 5.2.7] Federally Enforceable Through Title V Permit
42. 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, 5.2.8] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

43. 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, 5.2.9 & 5.2.10] Federally Enforceable Through Title V Permit
44. The operator shall initially inspect a process PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the time of the release. To insure that the process PRD is operating properly, and is leak-free, the operator shall re-inspect the process PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the date of the release using EPA Method 21. If the process PRD is found to be leaking at either inspection, the PRD leak shall be treated as if the leak was found during quarterly operator inspections. [District Rule 4455, 5.2.11] Federally Enforceable Through Title V Permit
45. Except for process PRD, a component shall be inspected within 15 calendar days after repairing the leak or replacing the component using EPA Method 21. [District Rule 4455, 5.2.12] Federally Enforceable Through Title V Permit
46. 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 this rule. [District Rule 4455, 5.2.13] Federally Enforceable Through Title V Permit
47. 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, 5.3.1 5.3.2 and 5.3.3] Federally Enforceable Through Title V Permit
48. 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, 5.3.4] Federally Enforceable Through Title V Permit
49. If the leak has been minimized but the leak still exceeds the applicable leak standards of Rule 4455, an operator shall repair or replace the leaking component, vent the leaking component to a closed vent system, or remove the leaking component from operation as soon as practicable but not later than the time period specified in Table 3. For each calendar quarter, the operator may be allowed to extend the repair period as specified in Table 3, for a total number of leaking components, not to exceed 0.05 percent of the number of components inspected, by type, rounded upward to the nearest integer where required. [District Rule 4455, 5.3.5] Federally Enforceable Through Title V Permit
50. If the leaking component is an essential component or a critical component and which cannot be immediately shut down for repairs, the operator shall minimize the leak within one hour after detection of the leak. If the leak has been minimized, but the leak still exceeds any of the applicable leak standards of Rule 4455, the essential component or critical component shall be repaired or replaced to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection, whichever comes earlier. [District Rule 4455 5.3.6] Federally Enforceable Through Title V Permit
51. For any component that has incurred five repair actions for major gas leaks or major liquid leaks, or any combination of major gas leaks and major liquid leaks within a continuous 12-month period, the operator shall comply with at least one of the requirements specified in Sections 5.3.7.1, 5.3.7.2, 5.3.7.3, or 5.3.7.4 by the applicable deadlines specified in Sections 5.3.7.5 and 5.3.7.6. If the original leaking component is replaced with a new like-in-kind component before incurring five repair actions for major leaks within 12-consecutive months, the repair count shall start over for the new component. An entire compressor or pump need not be replaced provided the compressor part(s) or pump part(s) that have incurred five repair actions as described in Section 5.3.7 are brought into compliance with at least one of the requirements of Sections 5.3.7.1 through 5.3.7.6. [District Rule 4455, 5.3.7] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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52. The operator shall monitor process PRD by using electronic process control instrumentation that allows for real time continuous parameter monitoring or by using telltale indicators for the process PRD where parameter monitoring is not feasible. [District Rule 4455, 5.4.1] Federally Enforceable Through Title V Permit
53. After a release from a process PRD in excess of 500 pounds of VOC in a continuous 24-hour period, the operator shall immediately conduct a failure analysis and implement corrective actions as soon as practicable but not later than 30 days to prevent the reoccurrence of similar release. For refineries processing greater than 20,000 barrels of crude oil per day, any subsequent release in excess of 500 pounds of VOC within a continuous 24-hour period shall be subject to the requirements of Section 5.4.5. [District Rule 4455, 5.4.3 & 5.4.4] Federally Enforceable Through Title V Permit
54. The operator of a refinery processing greater than 20,000 barrels of crude oil per day shall connect all process PRDs serving that process equipment to an APCO-approved closed vent system as defined in Section 3.3 if any of the conditions specified in Sections 5.4.5.1 and 5.4.5.2 occurs. Process PRDs subject to the provisions of Section 5.4.5 shall be connected to an APCO-approved closed-vent system as soon as practicable, but no later than the first turnaround after the requirement to connect becomes effective. [District Rule 4455, 5.4.5] Federally Enforceable Through Title V Permit
55. All major components and critical components shall be physically identified clearly and visibly for inspection, repair, and recordkeeping purposes. The physical identification shall consist of labels, tags, manufacturer's nameplate identifier, serial number, or model number, or other system approved by the APCO that enables an operator or District personnel to locate each individual component. The operator shall replace tags or labels that become missing or unreadable as soon as practicable but not later than 24 hours after discovery. The operator shall comply with the requirements of Sections 6.1.4 if there is any change in the description of major components or critical components. [District Rule 4455, 5.5.1 & 5.5.2] Federally Enforceable Through Title V Permit
56. The operator shall keep a copy of the operator management plan at the facility and make it available to the APCO, ARB and US EPA upon request. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved operator management plan. [District Rule 4455, 6.1.2 & 6.1.4] Federally Enforceable Through Title V Permit
57. The operator shall maintain an inspection log containing, at a minimum, 1) total number of components inspected, and total number and percentage of leaking components found by component types, 2) location, type, name or description of each leaking component, and description of any unit where the leaking component is found, 3) date of leak detection and method of leak detection, 4) for gaseous leaks, record the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak, 5) date of repair, replacement, or removal from operation of leaking components, 6) identification and location of essential component and critical components found leaking that cannot be repaired until the next process unit turnaround or not later one year after leak detection, whichever comes earlier, 7) methods used to minimize the leak from essential components and critical components that cannot be repaired until the next process unit turnaround or not later one year after leak detection, whichever comes earlier, 8) after the component is repaired or is replaced, the date of reinspection and the leak concentration in ppmv, 9) inspector's name, business mailing address, and business telephone number, and 10) the facility operator responsible for the inspection and repair program shall sign and date the inspection log certifying the accuracy of the information recorded in the log. [District Rule 4455, 6.2.1] Federally Enforceable Through Title V Permit
58. Records of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components, including a copy of current calibration gas certification from the vendor of said calibration gas cylinder, the date of calibration, concentration of calibration gas, analyzer reading of calibration gas before adjustment, instrument reading of calibration gas after adjustment, calibration gas expiration date, and calibration gas cylinder pressure at the time of calibration. [District Rule 4455, 6.2.3] Federally Enforceable Through Title V Permit
59. The operator shall notify the APCO, by telephone or other methods approved by the APCO, of any process PRD release described in Sections 5.4.4 and 5.4.5, and any release in excess of the reportable quantity limits as stipulated in 40 CFR, Part 117, Part 302 and Part 355, including any release in excess of 100 pounds of VOC, within one hour of such occurrence or within one hour of the time said person knew or reasonably should have known of its occurrence. [District Rule 4455, 6.3.1] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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60. The operator shall submit a written report to the APCO within thirty (30) calendar days following a PRD release subject to 6.3.1. The written report shall include 1) process PRD type, size, and location, 2) date, time and duration of the process PRD release, 3) types of VOC released and individual amounts, in pounds, including supporting calculations, 4) cause of the process PRD release, and 5) corrective actions taken to prevent a subsequent process PRD release. [District Rule 4455 6.3.2] Federally Enforceable Through Title V Permit
61. Copies of all records shall be retained for a minimum of five (5) years after the date of an entry. Such records shall be made available to the APCO, ARB, or US EPA upon request. [District Rule 4455, 6.2.2, 6.2.3 & 6.2.4] Federally Enforceable Through Title V Permit
62. Measurements of gaseous leak concentrations shall be conducted according to US EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in US EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. [District Rule 4455, 6.4.1] Federally Enforceable Through Title V Permit
63. The VOC content of exempt streams shall be determined using American Society of Testing and Materials (ASTM) D 1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 for liquids. [District Rule 4455, 6.4.2] Federally Enforceable Through Title V Permit
64. For exempt streams, the percent by volume liquid evaporated at 150 deg C shall be determined using ASTM D 86. [District Rule 4455, 6.4.3] Federally Enforceable Through Title V Permit
65. Equivalent test methods other than specified in Sections 6.4.1 through 6.4.5 may be used provided such test methods have received prior approval from the US EPA, ARB, and APCO. [District Rule 4455, 6.4] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

AUTHORITY TO CONSTRUCT

PERMIT NO: S-37-8-28

ISSUANCE DATE: 05/10/2010

LEGAL OWNER OR OPERATOR: KERN OIL & REFINING CO.
MAILING ADDRESS: 7724 E PANAMA LANE
BAKERSFIELD, CA 93307-9210

LOCATION: PANAMA LN & WEEDPATCH HWY
BAKERSFIELD, CA 93307-9210

SECTION: 25 TOWNSHIP: 30S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF ORGANIC LIQUID LOADING AREAS AND REFINERY VAPOR RECOVERY SYSTEM INCLUDING COMPRESSOR(S), LOADING RACKS WITH 10 PRODUCT LINES AND 9 VAPOR RETURN LINES: CONNECT TANK S-37-24 TO THE VAPOR CONTROL SYSTEM

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. All delivery tanks which previously contained organic liquids, including gasoline, with a TVP greater than 1.5 psia at loading conditions shall be filled only at Class 1 or Class 2 loading facilities that meet the vapor collection and control requirements of District Rule 4624 or listed herein. [District Rule 4624, 5.3] Federally Enforceable Through Title V Permit
4. Construction, reconstruction (as defined in District Rule 4001, amended January 19, 1995), or expansion of any top loading facility shall not be allowed. [District Rule 4624, 5.5] Federally Enforceable Through Title V Permit
5. The organic liquid loading operation shall be bottom loaded. [District Rule 4624, 5.1.1] 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.

Seyed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-37-8-28 - Jan 19 2012 9:01AM - RICKARDK : Joint Inspection NOT Required

6. Transfer rack and vapor collection and control equipment shall be designed, installed, maintained in accordance with the manufacturers specifications, and operated such that there are no leaks or excess organic liquid drainage at disconnections as defined herein. [District Rule 4624, 5.6] Federally Enforceable Through Title V Permit
7. For gasoline delivery vessels, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or a reading greater than 100 percent of the Lower Explosive Limit (21,000 ppmv as propane) in accordance with EPA Method 21. [District Rule 4621, 3.19]
8. For components used in the gasoline loading operation, a leak shall be defined as the dripping of VOC-containing liquid at a rate of more than three drops per minute or a concentration of VOC greater than 10,000 ppm above background as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. Excess liquid drainage shall be defined as exceeding 10 mls per average of 3 consecutive disconnects. [District Rule 4624, 3.17.2]
9. For organic liquids other than gasoline, a leak shall be defined as the dripping of VOC - containing liquid at a rate of more than three drops per minute or the detection of any gaseous or vapor emissions with a concentration of VOC greater than 1,000 ppmv above background as methane when measured in accordance with EPA Method 21. [District Rule 4624, 3.17.1]
10. Equipment under vapor control shall not vent to atmosphere. [District Rule 4624, 5.1.] Federally Enforceable Through Title V Permit
11. VOC emission rate from diesel loading rack shall not exceed any of the following: Fugitive emissions: 0.12 lb/hr and vapor recovery system: 0.09 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit
12. VOC emission rate from fugitive components associated with the refinery vapor control system shall not exceed 6.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The emission of VOC from the transfer operation shall not exceed 0.08 lb/1000 gallons of organic liquid transferred and the VOC from the transfer operation shall be routed to a vapor collection and control system. [District Rule 4624, 5.1] Federally Enforceable Through Title V Permit
14. No gasoline delivery vessel shall be used or operated unless it is vapor tight. No gasoline delivery vessel shall be operated unless valid State of California decals are displayed on the cargo tank, attesting to the vapor integrity of the tank as verified by annual performance of CARB required Certification and Test Procedures for Vapor Recovery Systems for Cargo Tanks (Executive Order G-70-10-A) or EPA Method 27 for testing delivery vessels owned or operated by this facility. [District Rule 4621, 5.2.1 & 5.2.2, Health & Safety Code, section 41962, and CCR, Title 17 section 94004] Federally Enforceable Through Title V Permit
15. Measurements of leak concentrations for organic liquid delivery vessels, including gasoline, shall be conducted according to the ARB Test Procedure for Determination of Leaks, TP-204.3, or EPA Method 21. [District Rule 4624, 6.2] Federally Enforceable Through Title V Permit
16. During loading of a delivery vessel, the truck-mounted vapor return line shall be connected to the vapor recovery system listed on this permit. [District Rules 2201] Federally Enforceable Through Title V Permit
17. Switch loading shall not be conducted unless such transfer is made using the vapor recovery system. [District Rules 2201] Federally Enforceable Through Title V Permit
18. Analysis of halogenated exempt VOC compounds shall be by ARB Method 432. [District Rule 4624, 6.2.2] Federally Enforceable Through Title V Permit
19. The leak detection instrument shall be calibrated each day of its use, prior to use, by the procedures specified in Method 21 using the following calibration gases: A) Zero air (less than 10 ppm of hydrocarbon in air); and B) Mixture of methane or n-hexane and air at a concentration of about, but less than, 10,000 ppm methane or n-hexane. [District Rules 2520, 9.3.2 and 4624, 6.3.8] Federally Enforceable Through Title V Permit
20. Corrective steps shall be taken at any time the operator observes a leak or excess drainage at disconnect. All equipment 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, 5.9.3] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. Operator shall keep record of daily liquid throughput and the results of any required leak inspections. [District Rule 4624, 6.1.3] Federally Enforceable Through Title V Permit
22. Records of daily throughput of each loading rack shall be maintained and made available to the APCO, ARB, or EPA during normal business hours. [District Rules 2201, and 4624, 6.1.4] Federally Enforceable Through Title V Permit
23. The permittee shall maintain accurate records of exempt and non-exempt components and their associated function in the Operator Management Plan (OMP) as required in section 6.1 of Rule 4455. Permit holder shall update the Operator Management Plan when new components are installed. By January 30 of each year, an annual report indicating any changes to an existing Operator Management Plan shall be submitted to the APCO. [District Rule 4455, 6.1] Federally Enforceable Through Title V Permit
24. 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), CAPCOA-Revised 1995 EPA Correlation Equations and Factors for Refineries and Marketing Terminals. Components shall be screened and leak rate shall be measured at least once each quarter. If compliance with the daily emission limit is shown during each of five (5) consecutive quarterly inspections, the inspection frequency may be changed from quarterly to annual. If any annual inspection shows non-compliance with the daily emission limit, then quarterly inspections shall be resumed. [District Rules 2201, District Rule 4455] Federally Enforceable Through Title V Permit
25. Authority to Construct (ATCs) S-37-8-27 shall be implemented prior to or concurrently to this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Authority to Construct (ATCs) S-37-24-4 shall be implemented concurrently to this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-37-17-3

EXPIRATION DATE: 08/31/2016

SECTION: 25 TOWNSHIP: 30S RANGE: 28E

EQUIPMENT DESCRIPTION:

504,000 GALLON WELDED EXTERNAL FLOATING ROOF TANK (#12001) WITH RESILIENT PRIMARY SEAL AND RIM-MOUNTED SECONDARY SEAL

PERMIT UNIT REQUIREMENTS

1. The tank shall be equipped with a cover consisting of either a pontoon-type or double-deck-type cover which rests upon the surface of the liquid being stored and is equipped with a closure device between the tank shell and roof edge consisting of two seals, one above the other; the one below shall be referred to as the primary seal, and the one above shall be referred to as the secondary seal. [District Rule 4623, 5.3.1.1, 5.3.1.2] Federally Enforceable Through Title V Permit
2. The external floating roof shall float on the surface of the stored liquid at all times (i.e., off the roof leg supports) except during the initial fill until the roof is lifted off the leg supports and when the tank is completely emptied and subsequently refilled. When the roof is resting on the leg supports, the process of filling, emptying, or refilling shall be continuous and shall be accomplished as rapidly as possible. Whenever the permittee intends to land the roof on its legs, the permittee shall notify the APCO in writing at least five calendar days prior to performing the work. The tank must be in compliance with this rule before it may land on its legs. [District Rule 4623, 5.3.1.3] Federally Enforceable Through Title V Permit
3. True vapor pressure of the stored liquid shall not exceed 11 psia. [District Rule 4623, 5.1.1] Federally Enforceable Through Title V Permit
4. The primary resilient toroid seal shall be mounted on the perimeter of the roof such that it is in contact with the tank's liquid contents at all times while the roof is floating. [District Rule 4623, 5.3.2.3.1] Federally Enforceable Through Title V Permit
5. No gap between the tank shell and the primary seal shall exceed one-half (1/2) inch. The cumulative length of all primary seal gaps greater than one-eighth (1/8) inch shall not exceed five (5) percent of the tank circumference. No continuous gap greater than one eighth (1/8) inch shall exceed ten (10) percent of the tank circumference. [District Rule 4623, 5.3.2.3.2] Federally Enforceable Through Title V Permit
6. No gap between the tank shell and the secondary seal shall exceed one-half (1/2) inch. The cumulative length of all gaps between the tank shell and the secondary seal, greater than one-eighth (1/8) inch shall not exceed five (5) percent of the tank circumference. [District Rule 4623, 5.3.2.3.3] Federally Enforceable Through Title V Permit
7. There shall be no holes, tears, or openings in the secondary seal or in the primary seal envelope that surrounds the annular vapor space enclosed by the roof edge, seal fabric, and secondary seal. [District Rule 4623, 5.3.2.3.4] Federally Enforceable Through Title V Permit
8. The secondary seal shall allow easy insertion of probes up to one-half (1/2) inch in width in order to measure gaps in the primary seal. [District Rule 4623, 5.3.2.3.5] Federally Enforceable Through Title V Permit
9. The secondary seal shall extend from the roof of the tank to the shell and not be attached to the primary seal. [District Rule 4623, 5.3.2.3.6] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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10. All openings in the roof used for sampling and gauging, except pressure-vacuum valves which shall be set to within 10% of the maximum allowable working pressure of the roof, shall provide a projection below the liquid surface to prevent belching of liquid and to prevent entrained or formed organic vapor from escaping from the liquid contents of the tank and shall be equipped with a cover, seal or lid that shall be in a closed position at all times, with no visible gaps and be leak-free, except when the device or appurtenance is in use. [District Rule 4623, 5.5.1] Federally Enforceable Through Title V Permit
11. Except for automatic bleeder vents and rim vents and pressure vacuum relief vents, each opening in a noncontact external floating roof shall provide a projection below the liquid surface. [District Rule 4623, 5.5.2.2.1] Federally Enforceable Through Title V Permit
12. Except for automatic bleeder vents and rim vents, roof drains, and leg sleeves, each opening in the roof shall be equipped with a gasketed cover, seal, or lid that shall be maintained in a closed position at all times (i.e., no visible gap) except when in actual use. [District Rule 4623, 5.5.2.2.2] Federally Enforceable Through Title V Permit
13. Automatic bleeder vents shall be equipped with a gasket and shall be closed at all times when the roof is floating except when the roof is being floated off or is being landed on the roof leg supports. [District Rule 4623, 5.5.2.2.3] Federally Enforceable Through Title V Permit
14. Rim vents shall be equipped with a gasket and shall be set to open when the roof is being floated off the roof leg supports or at the manufacturer's recommended setting. [District Rule 4623, 5.5.2.2.4] Federally Enforceable Through Title V Permit
15. Each emergency roof drain shall be provided with a slotted membrane fabric cover that covers at least 90 percent of the area of the opening. The fabric cover must be impermeable if the liquid is drained into the contents of the tanks. [District Rule 4623, 5.5.2.2.5]
16. External floating roof legs shall be equipped with vapor socks or vapor barriers in order to maintain a leak-free condition so as to prevent VOC emissions from escaping through the roof leg opening. [District Rule 4623, 5.5.2.2.6] Federally Enforceable Through Title V Permit
17. All wells and similar fixed projections through the floating roof shall provide a projection below the liquid surface. [District Rule 4623, 5.5.1, 5.5.2.3.1, 5.5.2.4.1] Federally Enforceable Through Title V Permit
18. The well shall be equipped with a pole wiper and a gasketed cover, seal or lid which shall be in a closed position at all times (i.e., no visible gap) except when the well is in use. [District Rule 4623, 5.5.2.3.2] Federally Enforceable Through Title V Permit
19. The gap between the pole wiper and the solid guidepole shall be added to the gaps measured to determine compliance with the secondary seal requirement, and in no case shall exceed 1/2 inch. [District Rule 4623, 5.5.2.3.3] Federally Enforceable Through Title V Permit
20. The slotted guidepole well on a external floating roof shall be equipped with the following: a sliding cover, a well gasket, a pole sleeve, a pole wiper, and an internal float and float wiper designed to minimize the gap between the float and the well, and provided the gap shall not exceed 1/8 inch; or shall be equipped with a well gasket, a zero gap pole wiper seal and a pole sleeve that projects below the liquid surface. [District Rule 4623, 5.5.2.4.2] Federally Enforceable Through Title V Permit
21. The gap between the pole wiper and the slotted guidepole shall be added to the gaps measured to determine compliance with the secondary seal requirement, and in no case shall exceed 1/8 inch. [District Rule 4623, 5.5.2.4.3] Federally Enforceable Through Title V Permit
22. The permittee of external floating roof tanks shall make the primary seal envelope available for unobstructed inspection by the APCO on an annual basis at locations selected along its circumference at random by the APCO. A minimum of four locations shall be made available. If the APCO suspects a violation may exist the APCO may require such further unobstructed inspection of the primary seal as may be necessary to determine the seal condition for its entire circumference. [District Rule 4623, 6.1.1] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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23. The permittee shall inspect all floating roof tanks at least once every 12 months to determine compliance with the requirements of this rule. The actual gap measurements of the floating roof primary and secondary seals shall be recorded. The inspection results shall be submitted to the APCO as specified in Section 6.3.5. [District Rule 4623, 6.1.3.1] Federally Enforceable Through Title V Permit
24. The permittee shall inspect the primary and secondary seals for compliance with the requirements of this rule every time a tank is emptied or degassed. Actual gap measurements shall be performed when the liquid level is static but not more than 48 hours after the tank roof is re-floated. [District Rule 4623, 6.1.3.2] Federally Enforceable Through Title V Permit
25. Operator shall visually inspect tank valves, flanges, and connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, Table 4]
26. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623, Table 4]
27. Upon detection of a gas leak, defined as a VOC concentration of greater than 10,000 ppmv measured in accordance with EPA Method 21, operator shall take one of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623, Table 4]
28. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623, Table 4]
29. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 4 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 4 shall constitute a violation of this rule. [District Rule 4623, Table 4]
30. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623, Table 4]
31. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623, Table 4]
32. The permittee shall inspect all floating tanks at least once every 12 months to determine compliance with the requirements of this rule. The actual gap measurements of the floating roof primary and secondary seals shall be recorded. The inspection results shall be submitted to the APCO as specified in District Rule 4623, Section 6.3.5. [District Rule 4623, 6.1.3.1] Federally Enforceable Through Title V Permit
33. The permittee shall inspect the primary and secondary seals for compliance with the requirements of this rule every time a tank is emptied or degassed. Actual gap measurements shall be performed when the liquid level is static but not more than 24 hours after the tank roof is re-floated. [District Rule 4623, 6.1.3.1.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

34. Permittee shall submit the reports of the floating roof tank inspections to the APCO within five calendar days after the completion of the inspection only for those tanks that failed to meet the applicable requirements of District Rule 4623, Sections 5.2 through 5.5 (Amended May 19, 2005). The inspection report for tanks that have been determined to be in compliance with the requirements of District Rule 4623, Sections 5.2 through 5.5 need not be submitted to the APCO, but the inspection report shall be kept on-site and made available upon request by the APCO. The inspection report shall contain all necessary information to demonstrate compliance with the provisions of District Rule 4623, Sections 6.3.5.1 through 6.3.5.6 (amended May 19, 2005). [District Rule 4623, 6.3.5] Federally Enforceable Through Title V Permit
35. Permittee shall maintain the records of the external floating roof landing activities that are performed pursuant to District Rule 4623, Sections 5.3.1.3 and 5.4.3 (Amended May 19, 2005). The records shall include information on the true vapor pressure (TVP), API gravity, storage temperature, type of organic liquid stored in the tank, the purpose of landing the roof on its legs, the date of roof landing, duration the roof was on its legs, the level or height at which the tank roof was set to land on its legs, and the lowest liquid level in the tank. [District Rule 4623, 6.3.7] Federally Enforceable Through Title V Permit
36. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623, 6.3.7] Federally Enforceable Through Title V Permit
37. Construction, reconstruction, or modification of this unit was commenced prior to June 11, 1973. Therefore, the requirements of 40CFR 60 Subpart K, Ka and Kb do not apply to this source. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

Appendix C

BACT Guideline

San Joaquin Valley
Unified Air Pollution Control District

Best Available Control Technology (BACT) Guideline 7.3.3*

Last Update 10/1/2002

**Petroleum and Petrochemical Production - Floating Roof Organic
Liquid Storage or Processing Tank, = or > 471 bbl Tank capacity, = or > 0.5 psia
TVP**

Pollutant	Achieved in Practice or contained in the SIP	Technologically Feasible	Alternate Basic Equipment
VOC	95% control (Primary metal shoe seal with secondary wiper seal, or equal)	95% Control (Dual wiper seal with drip curtain or primary metal shoe seal with secondary wiper seal, or equal.)	

BACT is the most stringent control technique for the emissions unit and class of source. Control techniques that are not achieved in practice or contained in a state implementation plan must be cost effective as well as feasible. Economic analysis to demonstrate cost effectiveness is required for all determinations that are not achieved in practice or contained in an EPA approved State Implementation Plan.

***This is a Summary Page for this Class of Source**

Appendix D

Floating Roof Tank Emissions Summary

TANKS 4.0.9d
Emissions Report - Detail Format
Tank Identification and Physical Characteristics

Identification

User Identification: KOR Tk 12001 ERC
 City: Bakersfield
 State: California
 Company: Kern Oil & Refining Co.
 Type of Tank: External Floating Roof Tank
 Description: KOR Tk12001

Tank Dimensions

Diameter (ft): 60.00
 Volume (gallons): 504,000.00
 Turnovers: 365.00

Paint Characteristics

Internal Shell Condition: Light Rust
 Shell Color/Shade: White/White
 Shell Condition: Good

Roof Characteristics

Type: Pontoon
 Fitting Category: Detail

Tank Construction and Rim-Seal System

Construction: Welded
 Primary Seal: Mechanical Shoe
 Secondary Seal: Shoe-mounted

Deck Fitting/Status

Quantity

Vacuum Breaker (10-in. Diam.)/Weighted Mech. Actuation, Gask.	2
Roof Drain (3-in. Diameter)/Open	1
Access Hatch (24-in. Diam.)/Bolted Cover, Gasketed	1
Automatic Gauge Float Well/Unbolted Cover, Gasketed	1

Meteorological Data used in Emissions Calculations: Bakersfield, California (Avg Atmospheric Pressure = 14.47 psia)

TANKS 4.0.9d
Emissions Report - Detail Format
Liquid Contents of Storage Tank

KOR Tk 12001 ERC - External Floating Roof Tank
Bakersfield, California

Mixture/Component	Month	Daily Liquid Surf. Temperature (deg F)			Liquid Bulk Temp (deg F)	Vapor Pressure (psia)			Vapor Mol. Weight	Liquid Mass Fract	Vapor Mass Fract	Mol. Weight	Basis for Vapor Pressure Calculations
		Avg.	Min.	Max.		Avg.	Min.	Max.					
Gasoline (RVP 15.0)	Jan	59.62	54.46	62.78	65.42	7.9452	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Feb	61.49	56.39	66.58	65.42	8.3724	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Mar	63.85	57.94	69.77	65.42	8.7365	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Apr	66.98	60.01	73.95	65.42	9.2417	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	May	71.00	63.30	78.70	65.42	9.9218	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Jun	74.47	66.32	82.63	65.42	10.5415	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Jul	77.01	68.80	85.22	65.42	11.0127	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Aug	76.03	68.25	83.61	65.42	10.8285	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Sep	72.96	65.93	79.58	65.42	10.2672	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Oct	68.33	62.00	74.66	65.42	9.4658	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Nov	62.38	57.33	67.44	65.42	8.5099	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3
Gasoline (RVP 15.0)	Dec	58.39	54.32	62.46	65.42	7.9108	N/A	N/A	60.0000			92.00	Option 4: RVP=15, ASTM Slope=3

TANKS 4.0.9d
Emissions Report - Detail Format
Detail Calculations (AP-42)

KOR Tk 12001 ERC - External Floating Roof Tank
Bakersfield, California

Month:	January	February	March	April	May	June	July	August	September	October	November	December
Rim Seal Losses (lb):	341.6231	420.9248	518.2389	635.5769	826.9024	924.7552	852.0039	600.7089	643.3176	481.5279	370.9690	324.4816
Seal Factor A (lb-mole/ft-yr):	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000
Seal Factor B (lb-mole/ft-yr (mph) ⁿ):	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
Average Wind Speed (mph):	5.2000	5.8000	6.5000	7.1000	7.9000	7.9000	7.2000	6.8000	6.2000	5.5000	5.1000	5.0000
Seal-related Wind Speed Exponent:	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000	1.6000
Value of Vapor Pressure Function:	0.1965	0.2127	0.2275	0.2491	0.2815	0.3148	0.3433	0.3316	0.2996	0.2654	0.2182	0.1952
Vapor Pressure at Daily Average Liquid Surface Temperature (psia):	7.9452	8.3724	8.7385	9.2417	9.9218	10.5415	11.0127	10.8285	10.2672	9.4658	8.5099	7.9108
Tank Diameter (ft):	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000
Vapor Molecular Weight (lb/lb-mole):	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000
Product Factor:	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Withdrawal Losses (lb):	48.1873	48.1873	48.1873	48.1873	48.1873	48.1873	48.1873	48.1873	48.1873	48.1873	48.1873	48.1873
Net Throughput (gal/mo.):	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000	15,330,000.0000
Shell Coating Factor (bbt/1000 sqft):	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015
Average Organic Liquid Density (lb/gal):	5.6000	5.6000	5.6000	5.6000	5.6000	5.6000	5.6000	5.6000	5.6000	5.6000	5.6000	5.6000
Tank Diameter (ft):	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000
Roof Fitting Losses (lb):	56.5433	63.8036	71.3789	81.0935	95.9633	107.3323	117.4223	105.0805	92.2361	76.2157	62.3249	55.3741
Value of Vapor Pressure Function:	0.1965	0.2127	0.2275	0.2491	0.2815	0.3148	0.3433	0.3316	0.2996	0.2654	0.2182	0.1952
Vapor Molecular Weight (lb/lb-mole):	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000
Product Factor:	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Tot. Roof Fitting Loss Fact. (lb-mole/yr):	57.5486	59.9846	62.7645	65.1058	68.1823	68.1823	65.4930	63.9393	61.5802	58.7736	57.1369	56.7233
Average Wind Speed (mph):	5.2000	5.8000	6.5000	7.1000	7.9000	7.9000	7.2000	6.8000	6.2000	5.5000	5.1000	5.0000
Total Losses (lb):	446.3537	532.9124	637.8051	764.8576	970.9531	1,080.2748	1,052.6135	954.9767	783.7410	605.9308	481.3812	428.0431

Roof Fitting/Status	Quantity	KFa (lb-mole/yr)	KFb (lb-mole/yr mph ⁿ)	m	Losses (lb)
Vacuum Breaker (10-in. Diam.)/Weighted Mech. Actuation, Gasketed	2	6.20	1.20	0.94	350.2014
Roof Drain (3-in. Diameter)/Open	1	1.50	0.2	1.76	67.2502
Access Hatch (24-in. Diam.)/Gasketed Cover, Gasketed	1	1.60	0.00	0.00	25.0644
Automatic Gauge Foot Well/Unbolted Cover, Gasketed	1	4.30	17.00	0.38	539.4858

**TANKS 4.0.9d
Emissions Report - Detail Format
Individual Tank Emission Totals**

Emissions Report for: January, February, March, April, May, June, July, August, September, October, November, December

**KOR Tk 12001 ERC - External Floating Roof Tank
Bakersfield, California**

Components	Losses(lbs)				Total Emissions
	Rim Seal Loss	Withdrawl Loss	Deck Fitting Loss	Deck Seam Loss	
Gasoline (RVP 15.0)	7,180.83	578.25	980.77	0.00	8,739.84

Appendix E

Fugitive Component Emissions Tabulation

Kern Oil & Refining Co.
S-37-17, Tank 12001

Fugitive Emissions Using Screening Emission Factors

California Implementation Guidelines for Estimating Mass Emissions
of Fugitive Hydrocarbon Leaks at Petroleum Facilities
*Table IV-2a. 1995 EPA Protocol Refinery
Screening Value Range Emission Factors*

Percentage of components with $\geq 10,000$ ppmv leaks allowed? 0 %
Weight percentage of VOC in the total organic compounds in gas? 100 %
Weight percentage of VOC in the total organic compounds in oil? 100 %

Equipment Type	Service	Component Count	Total allowable leaking components	Screening Value EF: TOC		VOC emissions (lb/day)
				< 10,000 ppmv (lb/day/source)	$\geq 10,000$ ppmv (lb/day/source)	
Valves	Gas	21	0.00	3.175E-02	1.389E+01	0.67
	Light Liquid	10	0.00	8.995E-02	4.508E+00	0.90
	Heavy Liquid	0	0.00	1.217E-02	1.217E-02	0.00
Pump Seals	Light Liquid	0	0.00	6.349E-01	2.312E+01	0.00
	Heavy Liquid	0	0.00	7.143E-01	2.056E+01	0.00
Compressor Seals	Gas	0	0.00	4.730E+00	8.508E+01	0.00
	Hydrogen	0	0.00	a	a	0.00
Pressure Relief Valves	All (w/o rupture disk)	1	0.00	2.365E+00	8.947E+01	2.37
	All (w/ rupture disk)	0	0.00	b	b	0.00
Connectors	All (flanges)	62	0.00	3.175E-03	1.984E+00	0.20
	All (THD)	66	0.00	3.175E-03	1.984E+00	0.21
Open-ended Lines	All	0	0.00	7.937E-02	1.032E+00	0.00

VOC
10/day
0.6675
0.299
2.365
0.19685
0.20955

Total VOC Emissions = 4.3 lb/day

0.8 ton/yr

1,583 10/yr

Notes

- a. VOC Content < 10%
- b. PRVs equipped with rupture disks are assumed to have zero leak emission rate.

Appendix F

SSPE Tabulation

Detailed SSPE Report

Region	Facility	Unit	Mod	NOx	SOx	PM10	CO	VOC	Number of Outstanding ATCs
S	37	0	2						0
S	37	1	12	37814	17555	14746	189216	2701	1
S	37	2	6						1
S	37	3	7	6990	4194	1771	8622	34228	0
S	37	4	15	15058	9035	3815	18572	38462	1
S	37	5	2						0
S	37	6	16	9000	257	684	27000	495	0
S	37	7	4						1
S	37	8	23	0	0	0	0	4358	4
S	37	9	10	0	0	0	0	0	0
S	37	12	2						0
S	37	13	2						0
S	37	14	2						0
S	37	15	3						0
S	37	16	3						0
S	37	17	3						0
S	37	18	2						0
S	37	19	2						0
S	37	20	3						0
S	37	21	9	0	0	0	0	21170	0
S	37	22	9	0	0	0	0	21170	0
S	37	23	7	0	0	0	0	1205	0
S	37	24	3						1
S	37	25	3						0
S	37	26	3						0
S	37	27	3						0

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Notes:

Blank values for a particular permit unit do not necessarily reflect zero emissions. For units with blank values, the PE must still be determined based on physical PE or as limited by permit condition.

For permits that show outstanding ATCs, consult PAS ATC Emission Profile records to determine what the highest PE is for each pollutant.

ATCs for new units (e.g. S-XXXX-X-0) must be added in separately.

ERC's for onsite reductions must be added in separately per Rule 2201 as well.

Region	Facility	Unit	Mod	NOx	SOx	PM10	CO	VOC	Number of Outstanding ATCs
S	37	28	4						0
S	37	31	6	0	0	0	0	1606	0
S	37	34	4						0
S	37	38	9	4818	16556	526	1226	34252	0
S	37	42	3	0	0	0	0	840	0
S	37	43	2	0	0	0	0	1752	0
S	37	44	3						0
S	37	46	3						0
S	37	48	3	0	0	0	0	986	0
S	37	49	3		0	0	0	1022	0
S	37	50	4	0	0	0	0	219	0
S	37	51	4	0	0	0	0	1570	0
S	37	52	5	0	0	0	0	1095	0
S	37	53	4	0	0	0	0	694	0
S	37	56	3	0	0	0	0	365	0
S	37	57	6	0	0	0	0	1935	0
S	37	58	2						0
S	37	59	4	0	0	0	0	329	0
S	37	61	6	0	0	0	0	475	0
S	37	65	4	0	0	0	0	511	0
S	37	66	4	0	0	0	0	1460	0
S	37	67	3						0
S	37	71	5	0	0	0	0	219	0
S	37	77	13	9490	5330	2410	11680	17849	0
S	37	78	3	0	0	0	0	0	0
S	37	79	2	0	0	0	0	183	0
S	37	80	2						0
S	37	81	2						0
S	37	82	3	99	0	1	162	1	0

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Notes:

Blank values for a particular permit unit do not necessarily reflect zero emissions. For units with blank values, the PE must still be determined based on physical PE or as limited by permit condition.

For permits that show outstanding ATCs, consult PAS ATC Emission Profile records to determine what the highest PE is for each pollutant.

ATCs for new units (e.g. S-XXXX-X-0) must be added in separately.

ERC's for onsite reductions must be added in separately per Rule 2201 as well.

Region	Facility	Unit	Mod	NOx	SOx	PM10	CO	VOC	Number of Outstanding ATCs
S	37	83	3	247	0	2	405	3	0
S	37	84	5	949	37	219	46355	3322	0
S	37	85	5	949	37	219	46355	3322	0
S	37	86	5	949	37	219	46355	3322	0
S	37	87	5	694	37	146	33726	2409	0
S	37	88	5	694	37	146	33726	2409	0
S	37	90	4	0	0	0	0	1679	0
S	37	91	5	0	0	0	0	475	0
S	37	92	4	1387	0	183	66759	4782	0
S	37	93	2						0
S	37	94	2	0	0	0	0	1637	1
S	37	95	6	0	0	0	0	475	0
S	37	96	5	0	0	0	0	475	0
S	37	97	4	0	0	0	0	1460	0
S	37	100	4	1278	37	256	62671	4490	0
S	37	101	4	1278	37	256	62671	4490	0
S	37	102	5	0	0	0	0	1643	0
S	37	103	8	15440	11607	2154	110303	2044	0
S	37	107	2						0
S	37	108	2						0
S	37	109	2						0
S	37	111	4	0	0	0	0	2122	0
S	37	114	2	24176	1991	6533	52349	5396	0
S	37	116	5	4447	2063	618	21843	346	0
S	37	118	3	6313	3508	1578	23056	12323	0
S	37	119	3	14997	8336	3749	54771	30989	0
S	37	120	2	0	0	0	0	938	0
S	37	121	2	0	0	0	0	740	0
S	37	122	4	4470	12718	300	4296	1058	0

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Notes:

Blank values for a particular permit unit do not necessarily reflect zero emissions. For units with blank values, the PE must still be determined based on physical PE or as limited by permit condition.

For permits that show outstanding ATCs, consult PAS ATC Emission Profile records to determine what the highest PE is for each pollutant.

ATCs for new units (e.g. S-XXXX-X-0) must be added in separately.

ERC's for onsite reductions must be added in separately per Rule 2201 as well.

<i>Region Facility</i>	<i>Unit</i>	<i>Mod</i>	<i>NOx</i>	<i>SOx</i>	<i>PM10</i>	<i>CO</i>	<i>VOC</i>	<i>Number of Outstanding ATCs</i>	
S	37	123	2	1366	32	50	215	41	0
S	37	125	1	0	0	0	0	252	1
S	37	126	2	0	0	0	0	4552	0
S	37	127	1	0	0	0	0	551	0
S	37	130	1	0	0	0	0	2605	0
S	37	131	1	0	0	0	0	2605	0
S	37	138	1	0	0	0	0	730	0
S	37	139	1	0	0	0	0	0	0
S	37	140	1	0	0	0	0	0	0
S	37	141	0	0	0	0	0	0	2
S	37	142	1	0	0	0	0	0	0
S	37	143	1	0	0	0	0	0	0
<i>SSPE (lbs)</i>				162903	93441	40581	922334	294837	

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Notes:

Blank values for a particular permit unit do not necessarily reflect zero emissions. For units with blank values, the PE must still be determined based on physical PE or as limited by permit condition.

For permits that show outstanding ATCs, consult PAS ATC Emission Profile records to determine what the highest PE is for each pollutant.

ATCs for new units (e.g. S-XXXX-X-0) must be added in separately.

ERC's for onsite reductions must be added in separately per Rule 2201 as well.

Appendix G

Quarterly Net Emissions Change

Quarterly Net Emissions Change (QNEC)

The Quarterly Net Emissions Change is used to complete the emission profile screen for the District's PAS database. The QNEC shall be calculated as follows:

QNEC = PE2 - PE1, where:

QNEC = Quarterly Net Emissions Change for each emissions unit, lb/qtr.

PE2 = Post Project Potential to Emit for each emissions unit, lb/qtr.

PE1 = Pre-Project Potential to Emit for each emissions unit, lb/qtr.

Using the values in Sections VII.C.2 and VII.C.6 in the evaluation above, quarterly PE2 and quarterly PE1 can be calculated as follows:

$PE2_{quarterly} = PE2_{annual} \div 4 \text{ quarters/year}$

$PE1_{quarterly} = PE1_{annual} \div 4 \text{ quarters/year}$

S-37-8 Quarterly NEC [QNEC]			
	PE2 (lb/qtr)	PE1 (lb/qtr)	QNEC (lb/qtr)
NO _x	0	0	0
SO _x	0	0	0
PM ₁₀	0	0	0
CO	0	0	0
VOC	1,090	1,090	0

S-37-17 Quarterly NEC [QNEC]			
	PE2 (lb/qtr)	PE1 (lb/qtr)	QNEC (lb/qtr)
NO _x	0	0	0
SO _x	0	0	0
PM ₁₀	0	0	0
CO	0	0	0
VOC	396	2,185	-1,789

Appendix H

Emissions Profiles

Permit #: S-37-8-30	Last Updated
Facility: KERN OIL & REFINING CO.	01/13/2012 RICKARDK

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):					4358.0
Daily Emis. Limit (lb/Day)					11.9
Quarterly Net Emissions Change (lb/Qtr)					
Q1:					0.0
Q2:					0.0
Q3:					0.0
Q4:					0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Permit #: S-37-17-4	Last Updated
Facility: KERN OIL & REFINING CO.	01/16/2012 RICKARDK

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	0.0	0.0	0.0	0.0	1583.0
Daily Emis. Limit (lb/Day)	0.0	0.0	0.0	0.0	4.3
Quarterly Net Emissions Change (lb/Qtr)					
Q1:					-1789.0
Q2:					-1789.0
Q3:					-1789.0
Q4:					-1789.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Appendix I

Compliance Certification

**San Joaquin Valley
Unified Air Pollution Control District**

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

RECEIVED

I. TYPE OF PERMIT ACTION (Check appropriate box)

DEC 12 2011

- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE AMENDMENT
 MINOR PERMIT MODIFICATION

**SJVAPCD
Southern Region**

COMPANY NAME: KERN OIL & REFINING CO.	FACILITY ID: S- 37
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name:	
3. Agent to the Owner:	

II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):

- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:

Bruce Cogswell
Signature of Responsible Official

12/5/2011
Date

Bruce Cogswell

Name of Responsible Official (please print)

VP Manufacturing

Title of Responsible Official (please print)