

DEC 17 2018

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

**Re: Final - Authority to Construct / Certificate of Conformity (Significant Mod)**  
**Facility Number: S-37**  
**Project Number: S-1182997**

Dear Ms. Hicks:

The Air Pollution Control Officer has issued Authority to Construct (ATC) S-37-169-0 with a Certificate of Conformity to Kern Oil & Refining Company at 7724 E Panama Lane, Bakersfield, CA 93307. The project authorizes a new amine system. Enclosed are the ATC and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the ATC was published on October 27, 2018. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on October 24, 2018. No comments were received following the District's preliminary decision on this project.

Also enclosed is an invoice for the engineering evaluation fees pursuant to District Rule 3010. Please remit the amount owed, along with a copy of the attached invoice, within 60 days.

Prior to operating with the modifications authorized by the ATC, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5. Application forms are found on the District's website at [www.valleyair.org/permits/TVforms](http://www.valleyair.org/permits/TVforms).

**Samir Sheikh**

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  
Fresno, CA 93726-0244

Tel: (559) 230-6000 FAX: (559) 230-6061

**Southern Region**

34946 Flyover Court  
Bakersfield, CA 93308-9725

Tel: 661-392-5500 FAX: 661-392-5585

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

Sincerely,



Arnaud Marjollet  
Director of Permit Services

Enclosures

cc: Tung Le, CARB (w/enclosure) via email  
cc: Gerardo C. Rios, EPA (w/enclosure) via email



## AUTHORITY TO CONSTRUCT

PERMIT NO: S-37-169-0

ISSUANCE DATE: 12/12/2018

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

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

**EQUIPMENT DESCRIPTION:**

AMINE SYSTEM NO.2 WITH ABSORBER VESSELS, KNOCKOUTS, HEAT EXCHANGERS, AND ASSOCIATED PIPING AND COMPONENTS WITH TREATED VAPOR RECOVERY GAS USED AS FUEL GAS FOR PROCESS HEATERS OR FLARED IN S-37-7

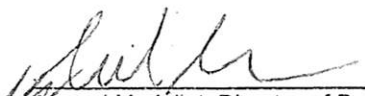
### CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 1,286 lb, 2nd quarter - 1,287 lb, 3rd quarter - 1,287 lb, and fourth quarter - 1,287 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 2/18/16) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number S-4966-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

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.

Samir Sheikh, Executive Director / APCO



Arnaud Marjöllet, Director of Permit Services

S-37-169-0 Dec 12 2018 8:43AM - EDGEHLR Joint Inspection NOT Required



5. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
6. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
7. Total fugitive emissions rate from valves, pumps, flanges, others, and connectors from components in this permit unit shall be periodically calculated as described below using the California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities (February 1999), Table IV-3a:CAPCOA-Revised 1995 EPA Correlation Equations and Factors for Refineries and Marketing Terminals (as described in the following conditions) and shall not exceed 9.4 lb/day. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit
8. A leak shall be defined as a reading of methane, in excess of 100 ppmv for valves and connectors and in excess of 500 ppmv for pump and compressor seals above background when measured per EPA Method 21 and an Inspection and Maintenance Program pursuant to District Rule 4455. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Permit holder shall maintain accurate records of component counts 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. Permit holder shall update such records when new components are installed. 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
10. This permit unit shall comply with applicable District Rule 4001 (NSPS, Subpart GGGa) requirements on facility wide permit S-37-0. [District Rule 4001] Federally Enforceable Through Title V Permit
11. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit