

DRAFT

EVALUATION REPORT

**ConocoPhillips
250 Tiburon Blvd.
Tiburon, CA 94920
GDF#10165
Application #18654**

BACKGROUND

Michelle Doyle of Stantec, Inc., on behalf of ConocoPhillips has submitted this application to install the Healy Enhanced Vapor Recovery (EVR) with In-Station Diagnostic (ISD) configuration and increase the throughput limit at G#10165. The applicant had previously applied under Application #17517, which requested an upgrade of the Phase II system to the Healy without ISD EVR. That application has been granted an Authority to Construct (A/C) and will be rolled into this application for concurrent approval to Permit to Operate (P/O). Currently, the facility is equipped with Phase I OPW EVR, Phase II ORVR (balance system), 8 triple product gasoline nozzles, 2-12,000 gallon underground gasoline tanks. After completion of this project, the facility will be equipped with Phase I OPW EVR, Phase II Healy EVR with ISD, and the nozzles and tanks will remain unchanged. This station is currently permitted at 1.6 million gallons per year (condition #7876). The established baseline is 660,000 gallons per year (A/N #30245).

A risk screen performed for this application indicates that an increase of 1.85 million-gallons per year throughput is acceptable under the District's Risk Management Policy and complies with District Regulation 2 Rule 5 Section 302. Accordingly, this station will now be conditioned to 2.51 million gallons per year pursuant to condition #14857.

This station is within 1,000 feet of Strawberry Point School, triggering the Public Notice requirements of the Waters Bill. There are no other schools within ¼ mile of this station.

Before the throughput increase can be approved, a 30-day public comment period will be held. Notice describing the project and announcing the public comment period will be mailed to the parents of students attending the above school and people living within 1,000 feet of the station. The cost of preparing and distributing this notice will be borne by the applicant.

EMISSION CALCULATIONS

Emission factors are taken from Scott Owen's July 7, 2006 memorandum. Emissions of Precursor Organic Compound (POC) include emissions from loading, breathing, refueling and spillage. The annual gasoline throughput increase of 0.91 million gal per year is based on the results of the Air Toxics Risk Screening.

$$\begin{aligned} \text{Emissions increase: } & (0.91 \text{ million gal/yr})(0.67 \text{ lb/1000 gal}) = 609.7 \text{ lb/yr} \\ & = 1.67 \text{ lb/day} \\ & = 0.30 \text{ TPY} \end{aligned}$$

Benzene emissions increase: (0.91 million gal/yr) (3.69 lbs Benzene/million gallons)
= 3.36 lb/yr
= 0.01 lb/day
= 0.002 TPY

NEW SOURCE REVIEW

This station will emit more than 10# of VOC in a single day. Thus the BACT requirement of Regulation 2-2-301 is triggered.

BACT for GDFs is considered the use of CARB-certified EVR Phase-I and EVR Phase-II vapor recovery equipment. State law prohibits the District from requiring vapor recovery equipment that is not CARB-certified. This facility will comply with this requirement.

Emissions from this station will remain less than 10 tons per year. Per Regulation 2-2-302, offsets are not required.

TBACT

The increased risk from this project exceeds 1 per million, triggering the use of TBACT equipment per Regulation 2-5-301. TBACT for GDFs is considered the use of CARB-certified EVR Phase-I and EVR Phase-II vapor recovery equipment. State law prohibits the District from requiring vapor recovery equipment that is not CARB-certified.

COMPLIANCE

A. Permits – General Requirements, Regulation 2, Rule 1

1. **California Environmental Quality ACT (CEQA), Regulation 2-1-311:** This project is considered to be ministerial under Regulation 2-1-311 and therefore is not subject to CEQA review. The engineering review for this project requires only the application of standard permit conditions and standard emission factors in accordance with Permit Handbook Chapter 2.3. and therefore is not discretionary as defined by CEQA.
2. **Public Notice, Schools, Regulation 2-1-412:** The facility is located within 1000 feet of the outer boundary of Strawberry Point School. It is therefore subject to the public notification requirements of Regulation 2-1-412. A public notice will be sent to all parents of students of the above-mentioned school and all residents within 1000 feet of the facility. There will be a 30-day public comment period.

B. Permits – New Source Review, Regulation 2, Rule 2

1. **Best Available Control Technology (BACT), Regulation 2-2-301:** BACT is triggered because the facility will emit more than 10 lbs of VOC per single day.
2. **Offsets, Regulation 2-2-302:** Because the total facility emissions will be less than 10 tons per year, the facility is not required to provide offsets.

C. Permits – New Source Review of Toxic Air Contaminants, Regulation 2, Rule 5

1. **Best Available Control Technology for Toxics (TBACT), Regulation 2-5-301:** TBACT is triggered since the increased cancer risk from this project exceeds 1 per million. The facility complies with TBACT for GDFs.

2. **Project Risk Requirement, Regulation 2-2-302:** The increased cancer risk does not exceed 10 in one million, the chronic and acute hazard indexes do not exceed 1, and therefore the project complies with the project risk requirement.

D. **Fees – Regulation 3**

All applicable fees have been paid.

E. **Gasoline Dispensing Facilities, Regulation 8, Rule 7**

The facility shall comply with Regulation 8-7-301 and 302 (Phase I and Phase II) and CARB Executive Orders VR-101 and VR-202.

RECOMMENDATION

I recommend that an Authority to Construct/Permit to Operate be issued to ConocoPhillips reflecting the above throughput increase and Phase II Healy EVR with ISD upgrades.

By: _____

Mark Tang
AQ Permit Technician

Date: 10/29/08