

December 16, 2004

Ms. Deborah Jordan
Director, Air Management Division
United States Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

Subject: Comments on reopening of Title V permits for Facilities
A0010, Chevron Products Company (Richmond)
A0011, Shell Oil Products US (Martinez)
A0016, ConocoPhillips Refinery (Rodeo)
B2626, Valero Refining Company (Benicia)
B2758-59, Tesoro Refining and Marketing Company (Martinez)

ALAMEDA COUNTY
Roberta Cooper
Scott Haggerty
(Chairperson)
Nate Miley
Shelia Young

CONTRA COSTA COUNTY
Mark DeSaulnier
Erling Horn
Mark Ross
Gayle Uilkema
(Secretary)

MARIN COUNTY
Harold C. Brown, Jr.

NAPA COUNTY
Brad Wagenknecht

SAN FRANCISCO COUNTY
Chris Daly
Jake McGoldrick
Gavin Newsom

SAN MATEO COUNTY
Jerry Hill
Marland Townsend
(Vice-Chairperson)

SANTA CLARA COUNTY
Erin Garner
Liz Kniss
Patrick Kwok
Julia Miller

SOLANO COUNTY
John F. Silva

SONOMA COUNTY
Tim Smith
Pamela Torliatt

Jack P. Broadbent
EXECUTIVE OFFICER/APCO

Dear Ms. Jordan:

Thank you for your comments on the above reopening of Title V permits, dated April 14, 2004.

The District has made some changes in response to comments. The details are in the District response, contained in Attachment A. The response refers to your comments by number. A copy of your letter that numbers the comments is enclosed in Attachment B.

EPA submitted additional comments on the Shell and ConocoPhillips permits in a letter of October 31, 2003. A separate letter will address those comments.

The District has decided to issue the permits. The final permits and the final statements of basis/permit evaluations will be sent separately. Enclosed are all final responses to comments. If you have any questions about this action, please call Steve Hill, Manager, Permit Evaluation, at (415) 749-4673.

Sincerely,

Jack P. Broadbent,
Executive Officer/
Air Pollution Control Officer

Enclosure

SAH:myl

Cc: Gerardo C. Rios, USEPA Region IX

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Attachment A

The District has prepared the following responses to the comments contained in this letter.

Each comment consists of 1) a suggestion for action or change, and 2) the argument, if any, supporting the suggestion.

The comments identified by the District have been numbered. Refer to the attached copy of the original comment letter for the comment numbers.

	Response
1.	The citation of 9-1-313 has been marked as federally enforceable in Table IV-U. Because 9-1-313 is identical for the SIP and non-SIP versions of this rule, it is listed under the citation for the current version of the rule (non-SIP) and not under the SIP version. Only requirements that are different in the SIP version are cited under the SIP version.
2.	The mistake has been corrected in the permit.
3.	The mistake has been corrected in the permit.
4.	The mistakes have been corrected in the permit. A "Y" has been inserted into the column for federal enforceability for fuel flow meters in Table VII.A.3.2, except for those required only by Condition #16686 per Regulation 2-1-234 (the definition of modification).
5.	The mistake has been corrected in the permit.
6.	The mistake has been corrected in the permit.
7.	There are no SIP-approved limits on hours of operation that apply to these diesel engines. The throughput limits are all imposed because of the non-SIP requirements of 9-8, or to limit engine use to the criteria under which these engines used to be exempt from permits. In either case, the limitations are not federally enforceable.
8.	Chevron: Subpart J applicability is included in the SOB. Subpart A is included in Table IV-A.2.1. Conoco: Subpart A&J applicability is included in the SOB. Shell: New Flare-oxidizer summary table (in SOB) shows applicability Tesoro: The new Flare and Thermal Oxidizer Table in the SOB shows applicability. Valero: New Flare-oxidizer summary table (in SOB) shows applicability.
9.	Each permit has been amended to show the sources that are abated by each flare. Chevron: Table II-B shows the sources that are abated by each flare. Conoco: Flare descriptions have been added to SOB. The flared sources are now listed in permit Table II-A; a Part 63 applicability determination discussion has been added to the SOB. Shell: Table II-B shows the sources that are abated by each flare. Tesoro: The sources that are abated by each flare have been added to the SOB and appear in Table II-B of the permit. Valero: Four flares were added to Table II-C, Abatement devices.
10.	This mistake has been corrected in the permit.
11.	The statements of basis have been modified to reflect the fact that all of the flares are exempt from Regulation 8-2, and the basis for that exemption. EPA's comment appears to suggest inclusion of a 90% control efficiency requirement in the Title V permit. Pursuant to 8-1-110.3, a source is exempt from Regulation 8 if it is abated by at least 90%. This is an applicability criterion. If the exemption obtains, Regulation 8 is not applicable. The District has explained why the exemption does in fact obtain. Title V mandates only that requirements that are actually applicable be incorporated in the permit. Title V does not mandate incorporation of applicability thresholds for standards that do not apply.
12.	Title V does not require monitoring to determine applicability of a federal standard such as Subpart J. Where a refinery has stated that a particular flare is used only for emergency malfunction and process upset use only, and where this statement is not contradicted by fact, the District proceeds on the assumption that the flaring activity is exempt from 60.104(a)(1). The District assumes that EPA concurs with these findings, because EPA has also implemented this standard for many years and, as far as the District is aware, has

	<p>not found otherwise. Until 60.104(a)(1) becomes applicable, Title V monitoring is not required to assure compliance with it. As noted in the preceding response, Title V (in some instances) mandates monitoring for requirements that do apply, but does not mandate monitoring for requirements that do not (i.e., monitoring for applicability).</p> <p>EPA's comment states that "the District has added a federally enforceable permit condition restricting these flares to emergency malfunction and process upset use only." The District characterizes its action differently. The flares in question were already subject to this "restriction" by virtue of Subpart J itself, in the sense that if the flares were used for other purposes, compliance with Subpart J would obtain and compliance would be enforceable immediately in federal court. For the reasons set forth in the SOB, the District sought to make this same restriction enforceable in state court, and hence created this permit condition. Because the restriction was already federally enforceable by virtue of Subpart J, it was labeled as federally enforceable in the permit. However, the District does not believe this condition, which was itself a condition designed to help assure compliance, is required under Title V, nor is there a Title V requirement to establish monitoring to further implement it. In fact, District Regulation 12-11 provides for substantially the same information collection and reporting EPA appears to be requesting. 12-11 is not presently federally enforceable, but will become so if and when it is approved into the SIP.</p>
13.	<p>Flaring events that do not qualify as emergencies or process upsets are violations of the permit and, presumably, violations of the NSPS if the refinery is not complying with the NSPS (including monitoring). Such violations must be reported as deviations, and may be subject to enforcement action.</p>
14.	<p>These requirements were applicable at each facility, however the different approaches were taken regarding whether they resided in the permit as generally applicable requirements versus source-specific requirements, and also whether monitoring was required. In response to EPA's comment, all of the permits will list 6-301, 6-305, 6-310, and 6-311 as source-specific applicable requirements.</p> <p>Chevron: Flow meters and record keeping have been added to the monitoring requirement for 6-301.</p> <p>Valero: 6-305, 6-310 and 6-401 added to flare tables IV-A8.1, A8.2 and A9.</p> <p>Tesoro: Regulations 6-301, 6-305, 6-310, and 6-401 have been added to the applicable requirements for flares and thermal oxidizers.</p> <p>Shell: Permit has been amended to list 6-301, 6-305, 6-310, and 6-311 as applicable requirements.</p>
15.	<p>Response 11, above, is relevant to this comment as well. The Statement of Basis explains why the District believes certain flares are exempt from Regulation 8. 8-1-110.3 defines an applicability criterion. The District's reasoning for why it the criterion is not met (i.e., why flares qualify for the exemption and are not subject to Regulation 8), depends in part on an assumption of proper operation of the flares. The conditions referred to in EPA's comment are to help ensure proper operation. Because these conditions are not monitoring imposed to assure compliance with an applicable standard, they are not federally enforceable.</p>
16.	<p>The flow rate, flame detection, and composition monitoring have been added as conditions to help ensure that the exemption criterion contained in 8-1-110.3 is met. Note that this is not an enforceable limit, however. The FE flag has been revised to "N."</p>

17.	The District has not conducted a de novo design review of the flares. As a result, the requested information is not part of the basis for the District's applicability determination, and does not appear in the statement of basis. The District relies in part on the OSHA requirement that documentation of flare system design basis and testing information be kept at the facilities, and that flares be operated consistent with the design basis. The flare mass flow limits contained in the Title V permits reflect these design limits, reported by the refineries to the District. The District's understanding is that OSHA-mandated design review involves a complex multi-variable analysis. The District does not have experience in reviewing this type of analysis. That the analysis was done pursuant to OSHA requirements provides assurance that the capacity figures reported by the refineries are reliable estimates.
18.	A table has been added to each statement of basis listing all flares and thermal oxidizers and providing the NSPS applicability determination. Chevron: Subpart J applicability is included in the SOB and is also included in the applicable requirements table in the permit. Conoco: already included in permit (H2S monitor). Tesoro: See response to Comment 23. Valero: added new tables IV and VII for A57 Thermal Oxidizer. See #43 regarding applicability of Subpart J. Shell: Subpart J applicability is included in the SOB and is also included in the applicable requirements table in the permit.
19.	In general, Regulation 6 is already listed as applicable to thermal oxidizers as a generally applicable requirement. The conditions that exist in a thermal oxidizer do not, in the District's opinion, justify considering thermal oxidizers as a group to require consideration of Regulation 6 as a specifically applicable requirement. When the gas being oxidized is introduced only in gaseous form, the likelihood of visible emissions is very low. However, 3 of the permits-Tesoro, Valero, and Valero Asphalt, do have thermal oxidizer tables that list Regulation 6.
20.	40 CFR 63.354(c)(1) (Benzene NESHAPS) provides an example of a recent EPA regulatory determination establishing appropriate monitoring to assure compliance with efficiency requirements for thermal oxidizers. In that rule, EPA has determined that temperature monitoring alone is adequate. Moreover, this comment appears inconsistent with EPA's position that it will not require Title V permitting authorities to review the sufficiency of existing monitoring contained in a federal or other standard.
21.	All of the permits have been modified to require temperature monitoring to show compliance with the oxidizer efficiency requirements.
21a.	All of the permits have been modified to require temperature monitoring to show compliance with the oxidizer efficiency requirements. See response to Comment 20 for a discussion of the reason that flow monitoring is not appropriate.
22.	The frequency for source tests for federal requirements are set in the respective standards. This comment appears inconsistent with EPA's position that it will not require Title V permitting authorities to review the sufficiency of existing monitoring contained in a federal or other standard
23.	Tesoro: Incorporation of Subpart J for these units was not part of the Revision 1 proposal. Since the issue deserves consideration based on an opportunity for comment by all interested parties, the District will address applicability and incorporation of Subpart J for these units in the next revision. In the meantime, no Title V permit shield is provided, and so the Title V permit does not impact the applicability of Subpart J as a federal matter.
24.	Regulations 6-310 and 6-401 have been added to the requirements. Regulation 6-311 does not apply.
25.	Regulation 6 has been added to the requirements for the thermal oxidizers in Tables IV – Xb, Xc, and Xd.
26.	Regulation 10 has been added to flares S854, S943, S944, S945, S1012, and S1013.
27.	Federally enforceable monitoring for 60.18(c) has been added for flares S854, S992, and S1013.
28.	Monitoring has been added for flare opacity under Regulation 6 in Section VII.

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29.	The mistake has been corrected in the permit.
30.	The change has been made to the permit, based on the argument made in the comment.
31.	The mistake has been corrected in the permit. Condition #18656, Part 7 has been modified to include S6015.
32.	The mistake has been corrected in the permit for Chevron.
33.	Chevron: No change has been made to the permit. Regulation 6, Particulate Matter and Visible Emissions, is a generally applicable requirement and applies to thermal oxidizers. Section 6-302 only applies if an opacity-sensing device is required by District regulations. Sections 6-301, 6-310, and 6-311 are included in the generally applicable requirements, and are included in individual source tables only when the rule is of particular relevance to the source.
34.	First, permit conditions imposed to ensure that an operation is exempt from a federal requirement need not be federally enforceable to be valid. Second, this condition was added at EPA's request to make sure that the basis for the determination that the flare was not subject to the fuel H2S requirement was included in the permit.
35.	The Chevron permit has been changed based on the argument in the comment.
36.	No change has been made to the permit. Flares that are designed to receive low-Btu gas are equipped with supplemental fuel gas to ensure that the gas vented to the flares has sufficient heating value. The new flare monitoring rule, 12-11, requires vent gas composition monitoring. The District presumes that the systems are designed to ensure that flared gases are combustible and are working properly. The monitoring required by 12-11 will provide a means of verifying this. 12-11-503 requires monitoring to ensure that flame is present. A permit condition would be redundant. See also the response to comment 12 for explanation of why Title V does not require that monitoring be imposed with regard to applicability criteria.
37.	Monitoring has been added to Table VII A.2.1 for S6010, which is downstream of A6020 requiring monitoring of both flame composition and flowrate.
38.	A summary table of Flare Services has been added to the SOB. S19 is not subject to Subpart J based on date of construction.
39.	S19 is not subject to Subpart J based on date of construction.
40.	This flare is not subject to a federally enforceable applicable requirement. There is, therefore, no basis for adding a federally enforceable monitoring requirement. The monitoring required by BAAQMD Regulations 12-11-401.1 and 12-11-401.6 will demonstrate compliance with Condition 20806 Part 7. These would become federally enforceable once 12-11 is adopted in the SIP.
41.	NSPS Subpart A is included in the Flare Summary Table for S19.
42.	Section 60.18 is not applicable. 60.18 only applies to facilities that are subject to subparts that specifically refer to this section. There are currently no applicable subparts for S19 that refer to 60.18.
43.	Incorporation of Subpart J for these units was not part of the Revision 1 proposal. Since the issue deserves consideration based on an opportunity for comment by all interested parties, the District will address applicability and incorporation of Subpart J for these units in the next revision. In the meantime, no Title V permit shield is provided, and so the Title V permit does not impact the applicability of Subpart J as a federal matter.
44.	BAAQMD regulations 6-301, 6-305, 6-310 and 6-401 have been added as source-specific applicable requirements to Table IV for S16, S17, S18 & S19. Monitoring is visual.
45.	Valero: In general, Regulation 6 is a generally applicable requirement, and applies to these oxidizers. The District has determined, based upon the past performance of these units and the nature of the vapor streams being abated, that the listing of the requirements in Section III and not in Section IV is appropriate because the margin of compliance is sufficiently large so as not to justify additional monitoring. Nonetheless, tables have been added for A57 that include Regulation 6.
46.	The requirements of 61.349(c) are covered by the Source Tests in Part 8 of Conditions 11879, 11882, 11888 & 13319. Thereafter the performance is monitored by continuous temperature monitoring per Parts 5 & 6. The new tables for A57 include monitoring for both 61.349(a)(2)(i)(A) (95% control) and 349(a)(1)(i) (Fugitives < 500 ppmv).
47.	The excursion language has been removed as part of Revision 1.

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48.	NSPS Subpart A has been added as an applicable requirement for oxidizer A420 in Table II-B, and for flare S398 in Tables IV-L and VII-L.
49.	Rule 6-305 (nuisance fallout) was not originally included in Table IV-L for flares S296 and S398 because it is listed in Table IV-All Sources as a generally applicable requirement. Rule 6-305 has been added to Tables IV-L and VII-L. Rule 6-311 is not applicable to flares because this rule is intended to limit the emission of particulates to a fraction of the amount of solid material "processed" at some source, and not necessarily to any emission stream that may contain particulate matter. Because source testing of these flares is impractical, compliance with this rule could not be established in any case.
50.	Although Regulation 6 is generally applicable to all refinery operations, it has not been included as a specific applicable requirement for oxidizer A420 because this device abates emissions from the two regulated marine berths. The emission stream to A420 consists of displaced vapor resulting from loading of refined products to ships. Unlike flares, which receive offgas from process units under upset conditions, A420 is not likely to receive slugs of liquid. Visible emissions and fallout have not been experienced at A420 and are not expected under any foreseeable conditions. Thus, Regulation 6 is not considered to be specifically applicable to this oxidizer.
51.	Flow monitoring is not necessary because the margin of compliance is very large. An annual source test is unnecessary for the same reason. A420 is substantially underloaded; design capacity is 20,000 bbl/hr, but Condition 4336 limits throughput to 25,000 bbl/day (annual average). Source test 92119 demonstrated a NMHC destruction efficiency exceeding 99.9% during a loading operation with a maximum rate of 8,000 bbl/hr.
52.	S1772 Flare has been added to Part 19 of Condition 18618.
53.	A table in the SOB regarding NSPS applicability to flares and thermal oxidizers was added.
54.	The permit shield in Table IX-A4 contains an error. EPA is correct that the thermal oxidizers are subject to 60.104(a)(2). This is included in Table IV-AQ. It is supposed to be a shield from 60.104(a)(1). Since the oxidizers are subject to the limits in 60.104(a)(2), then 60.104(a)(1) does not apply. As EPA states in the comment, the thermal oxidizers would combust more than natural gas. The mistake has been corrected in the permit.
55.	The mistake has been corrected in the permit. Subpart A has been added as an applicable requirement for all flares and thermal oxidizers subject to NSPS Subpart J. Section 60.18 is not applicable. 60.18 only applies to facilities subject to subparts that specifically refer to this section.
56.	The mistake has been corrected in the permit.
57.	Regulation 6 is already listed as a generally applicable requirement in Section III of the Title V permit, which covers the thermal oxidizers. As a result, no change has been made to the permit.
58.	The mistake has been corrected in the permit.
59.	The mistake has been corrected in the permit. Monitoring of flow rate, fuel value, and flame monitoring have been added for S4201 and S1470 in Section VII tables for these two sources.
60.	The mistake has been corrected in the permit. A continuous temperature monitor has been added as requirement in Part 7 of Condition # 4288.
61.	Subparts YYYY and EEEE have been added to the permit.
62.	The changes have been made. Subpart UUU was added to Tables IV-A1, A2, A4 and D1.
63.	The details of the requirements of 40 CFR 63, Subpart UUU, will be added to the permits for the Chevron, Tesoro, ConocoPhillips, and Valero refineries using the reopening process by April 11, 2005. At this time, the facilities understand that the requirement is in the permits generally and that the refineries have an obligation to comply by April 11, 2005, unless they seek an extension pursuant to 40 CFR 63.1563(c).
64.	Valero: Monitoring for SIP 8-10-301 and 8-10-302 was added to Table VII – Refinery General, consistent with the Chevron permit. However, adding this monitoring to each source table would not be useful since every hydrocarbon vessel in the refinery is subject to 8-10. It is appropriately located in the general refinery table.
65.	The District is analyzing this issue, and will address the issue of whether Title V

	requirements apply to these separately-owned facilities in another forum. Because the hydrogen plant is not owned by Tesoro, inclusion of requirements concerning it (including a compliance schedule) in Tesoro's permit is not appropriate. Title V sources may be issued separate permits. It follows that even if it is determined that the hydrogen plant must obtain a Title V permit, this does not indicate a deficiency in the Tesoro permit.
66.	The District will address the issue of whether Title V requirements apply to these separately-owned facilities in another forum.
67.	The District will address the issue of whether Title V requirements apply to these separately-owned facilities in another forum.
68.	The District will consider this recommendation for the future, but presently does believe addition of the compressors to the permit is required under Title V. Title V does not authorize establishing conditions to assure compliance with Subpart J unless and until Subpart J is determined to be applicable (i.e., flares are used for routine purposes).
69.	Tesoro was unable to provide documentation to show that the firing rate of No. 6 Boiler was designed to be 848 MMBtu/hr. Therefore, the District will retain the original firing rate of 775 MMBtu/hr.
70.	Boiler #5 underwent a maintenance turnaround in 1996 wherein the generating tubes and the superheater tubes were replaced with identical equipment. In 2002, during the Coker/Boiler #5 turnaround, additional tubes were replaced, along with the covering or metal "skin" of the boiler. These were identical replacements to repair deteriorating tubes and the worn cover to return the boiler to its design integrity. These do not constitute a modification and there were no associated increases in emissions. According to Tesoro, if the tubes were not replaced with identical components, then the boiler design would be affected and boiler damage could result.
71.	The mistake has been corrected in the permit.
72.	Monitoring requirements have been added to the condition. The monitoring is consistent with Tesoro's current practices to show compliance with the emission limits in the conditions. Monitoring and testing have been added to the tables in Section VII.
73.	Monitoring and source testing have been included in Tables VII-V, W, and AB.
74.	Monitoring and source testing have been included in Tables VII-V, W, and AB.
75.	Source testing requirements have been included.
76.	The contribution that VOC emissions from these engines make to the VOC cap is trivial, and does not justify the imposition of a monitoring requirement. No change has been made to the permit.
77.	The comment did not identify any regulatory purpose for adding rich- vs. lean-burn to the engine description. The comment did not identify any applicable requirement for which additional NOx monitoring might be required. No change has been made to the permit.
78.	Federally enforceable periodic source testing for 9-10-303 is required by Condition #18372 Part 33 and has been replaced in Table VII – Y and Table VII – AA.
79.	The District disagrees with the assertion that applicability of Subpart CC is in question. The District's calculations are soundly based. Regarding the BAAQMD Regulation 6 grain loading standard, the margin of non-applicability is more than a factor of 20, in the worst case. The likelihood of a cooling tower having a drift rate 20 or more times the rate used to derive the conservative AP-42 factors is so small as to be negligible. Applicability of the MACT is based on actual, not potential, emissions. It follows that applicability of the standard must be based on more than a mere doubt concerning data reliability. Applicability must be based on at least a high likelihood that actual emissions are above the threshold. Such a conclusion is not supported here. Regarding Regulation 8-2 (which is an applicable requirement), the margin of compliance is a factor of 30. This, combined with the small likelihood of substantial drift, is ample justification for concluding that addition of further monitoring is not required. Title V monitoring pertains only to applicable requirements, and so imposition of monitoring to determine applicability is not federally required. Monitoring for applicability of Subpart CC at these cooling towers would be particularly inappropriate given the difference between emissions and applicability thresholds.
80.	Source test data has been collected but needs to be reviewed by the District Source Test Section and analyzed by the District Engineering Section. A POC limit has been set based

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	on the source test data.
81.	The requirement has been added to Table VII – Ta.
82.	The monitoring has been added to Section VII.
83.	The correct emissions caps will be determined in Revision 2. A thorough study of the sources is required to determine the correct emissions caps. The District will review the history and both caps apply for now. This is sufficient from a Title V standpoint, because the permit includes the currently applicable requirements. If caps are adjusted and the applicable requirement accordingly changes, then the Title V permit will be updated to reflect this.
84.	The District does not agree that the condition creates a reasonable expectation that the APCO has the authority to change the permit in a manner not consistent with federal PSD. The District finds no ambiguity on this point in the language of the permit condition. In any case, from a Title V standpoint, this applicable requirement has been accurately incorporated into the permit, and so no Title V issue is presented. No change has been made to the permit.
85.	The changes to the proposed initial permit suggested by EPA in its 9/26/03 letter were not made because they were not the best way to address EPA’s concerns. Those concerns were addressed by adding the emission calculation procedures for determining cap compliance to the permit. These procedures are contained in Table C of the Appendix. All of the issues raised in Comment 85 are already addressed in Table C. EPA staff has, at various points in discussions over these refinery permits, misinterpreted certain statements by District as “promises” or “commitments” to follow through with specific actions. Though the District considers staff-level discussion with EPA to be extremely useful and productive, it reserves its ability to reconsider issues raised in those discussions, and has limited its commitments to those made in writing by appropriate District officials. Old comment 29: The District does not have the authority to unilaterally require the facility to use CEMS data if the facility chooses to submit other valid data. Table C in the appendix to the permit provides the calculation procedure for determining compliance with the cap. Old comment 31: Table C in the appendix to the permit provides the calculation procedure for determining compliance with the cap. Old comment 33-37: The District does not have the authority to unilaterally require the facility to use CEMS data if the facility chooses to submit other valid data. Old comment 39: The compliance method for PM and VOC is included in the Appendix for the cap.
86.	The District disagrees with EPA’s recommendation that emission rates for partially controlled emissions should be accomplished by a permit revision. The current condition recognizes that the operator may make quantifiable and verifiable reductions in emissions, and allows for those reductions to be used in determining compliance with the cap. The District is open to further discussion regarding whether the compliance verification methodology is appropriate for a permit issued pursuant to a SIP-approved program. Such a discussion would be concerning whether changes to an applicable requirement are appropriate. However, from the Title V perspective, this applicable requirement has been accurately incorporated and monitoring is provided. Therefore, the District believes that no Title V issue is presented.
87.	The requirements were added to the Table IV-DA.
88.	The District agrees with this comment. 40 CFR 61.340 through 61.357(f) will be added to the appropriate source-specific tables in Revision 2. A more thorough review is required to add the appropriate applicable requirements and monitoring. The inclusion of 40 CFR 61.343 through 61.357 (f) in Table IV – A for the Facility is appropriate for this revision.
89.	Monitoring and recordkeeping have been added.
90.	Continuous temperature monitoring has been specified.
91.	The facility may use either. In the absence of a requirement to do so, the facility need not specify in advance the method used to demonstrate compliance. Because the facility may choose either method at any time, both methods must be included as applicable requirements in the alternative.
92.	This situation is not appropriately described as an “alternate operating scenario.” The

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	source's operation is not changing in any way. Please see the response to Comment 91.
93.	The sources are abated at all times by Furnace S950 (Condition #7410, part 1, page 414 of the draft permit). No change has been made to the permit.
94.	The change has been made to the permit.
95.	The change has been made to the permit.
96.	The change has been made to the permit.
97.	The change has been made to the permit.
98.	Monitoring for leaks is already required.
99.	Tesoro was unable to provide documentation to show that the firing rate of No. 6 Boiler was designed to be 848 MMBtu/hr. Therefore, the District will retain the original firing rate of 775 MMBtu/hr.
100.	The additional detail has been added.
101.	Monthly opacity checks are already required and annual source tests for PM emissions have been added.
102.	Monitoring has been added for S802.
103.	Tesoro has agreed to complete the source testing by the end of the year (12/1/2004).
104.	Annual source testing is required to demonstrate compliance with Regulation 9-1-313.2. In addition Condition #21053 Part 5 requires monitoring of fuel gas H2S using a continuous online analyzer to demonstrate compliance with 9-1-313.2. All sulfur compounds in the fuel gas are assumed to be converted to SO2. The continuous SO2 CEM indicates compliance between the annual source tests.
105.	See response to comment 104.
106.	The change has been made to the permit.
107.	The change has been made to the permit.
108.	The citation has been removed for external floating roof tanks.
109.	The change has been made to the permit.
110.	The change has been made to the permit.
111.	The change has been made to the permit.
112.	The comment merits consideration as a future revision to the permit. However, the District believes the proposed permit conditions are appropriate at least for the time being. The District will consider incorporating the suggestion at a later date.
113.	The District agrees with this comment.
114.	The changes have been made to the permit.
115.	The changes have been made to the permit.
116.	The District agrees with this comment.
117.	The changes have been made to the permit.
118.	A thorough review will be required to determine if the facility has slop oil vessels and sludge dewatering. In the absence of information supporting a finding of applicability, requirements will not be incorporated into the permit. Compliance with the requirements for slop oil vessels and sludge dewatering, to the extent they apply, will be addressed in Revision 2.
119.	The change has been made to the permit.
120.	The District agrees with this comment. Though the requirements are now applicable, inclusion in the unit-specific tables will facilitate compliance review. 40 CFR 61.340 through 61.357 (f) will be added to the appropriate source-specific tables in Revision 2.
121.	The citation has been added to Table IV-A.
122.	These requirements apply to the facility as a whole, not to individual process units. The District feels that citing the requirements in the facility table is appropriate. However, where specific requirements are applicable to a small, identifiable group of sources, they should be included in the individual source tables. The permit will be revised consistent with this principle, to the extent such situations are identified.
123.	40 CFR 63.654(a) does not contain any applicable requirements. All it does is point to other sections actually containing applicable requirements. These sections are cited in the permit. No change has been made.
124.	A more thorough review is required to determine if CAM is required. Without further analysis, a finding that CAM applies is not supported. The District will consider

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	incorporating the suggestions in Revision 2.
125.	See response to Comment Numbers 88 and 120.
126.	The mistake has been corrected in the final permit. Appendix G of the SOB was amended by the District. However, a previous version was mistakenly posted on the District's web site. Amended Appendix G will be included in the final permit and clarifies the status of the permits for all of the cooling towers.
127.	The mistake has been corrected in the final permit.
128.	The mistake has been corrected in the final permit.
129.	The District disagrees with the comment. See response 79, above. Justification for relying on the calculations, and for determining that monitoring is not required.
130.	See response 79 above.
131.	See response 79 above.
132.	See response 79 above.
133.	No change has been made to the permit. To the extent the comment is asserting a Title V deficiency, the District disagrees. The Title V permit accurately incorporates this applicable requirement. To the extent the comment recommends a change to the applicable requirement, the District is willing continue discussion with EPA on this issue and to consider whether a revision to the requirement is appropriate, with the understanding that the Title V permit will be revised to reflect any resulting revisions to the requirement. Note also that the District has not made commitments to EPA other than those that have been conveyed in writing.
134.	See response 133 above.
135.	See response 133 above.
136.	See response 133 above.
137.	See response 133 above.
138.	See response 133 above.
139.	See response 133 above.
140.	See response 133 above.
141.	No change has been made to the permit. Table VII.C.2.1 already contains the numeric emission limits, requirements, and compliance monitoring required by NSPS Subpart J.
142.	The change has been made to the permit, based on the argument made in the comment.
143.	No change has been made to the permit. The time weighting of the source test results was not introduced as part of the 12/1/03 version of the Title V permit. This permit condition has been in place since 1997 and was evaluated and approved under Application No. 18188. The Title V permit accurately incorporates this applicable requirement.
144.	No change has been made to the permit. The District will review the issues raised by the comment, and will take appropriate actions at a later date.
145.	<p>Permit conditions are not automatically federally enforceable simply because they are contained in permits issued pursuant to a federally-approved NSR permit program. The District imposes permit conditions to enforce both federal and state-only requirements. Each of the permit conditions mentioned in the comment was imposed to address non-federal applicable requirements, and each is therefore correctly labeled non-federally-enforceable. The comment does not assert that these particular permit conditions implement federal requirements.</p> <p>Condition 4233 was imposed to reflect the applicant's description of the unit capacity. The application triggered neither BACT nor offsets. The condition did not protect federal NSR or BACT requirements in effect at the time.</p> <p>Condition 12580 assures compliance with the District's toxics risk management policy, a state-only requirement, and is therefore not federally enforceable.</p> <p>Condition 18137 assures compliance with District Regulation 2-1-234.3, which is not in the SIP and is therefore a state-only requirement and is not federally enforceable.</p>
146.	The change has been made to the permit, based on the argument made in the comment.
147.	The change has been made to the permit.
148.	No change has been made to the permit since the citation to "cumulative increase" does not mean an NSR action related to offsets.

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149.	The change has been made to the permit, based on the argument made in the comment.
150.	The change has been made to the permit.
151.	The change has been made to the permit.
152.	The change has been made to the permit.
153.	The change has been made to the permit.
154.	The changes have been made to the permit.
155.	The change has been made to the permit.
156.	The change has been made to the permit.
157.	The comment contained a typo. It should have referred to 8-18-301, not 304. Section 8-18-301 is a general limit on equipment leaks. This requirement is structured in a way that gives the facility an incentive to inspect on a frequent basis, because no violation is deemed to have occurred if a leak is detected by the facility, minimized within 24 hours and repaired within 7 days. In this sense, monitoring is provided in the requirement itself. The scenario that typically gives rise to a violation is discovery of a leak by a District inspector, but that scenario cannot be prescribed in the permit as periodic monitoring.
158.	No change has been made to the permit. Table IV contains sufficient detail to understand the requirements that apply and are incorporated by reference.
159.	The permit has been changed to add appropriate monitoring to Table VII.H.2.1 from Subpart QQQ.
160.	The federal standard as written allows the facility to use either compliance alternative. In the absence of a requirement to do so, the facility need not specify in advance the method used to demonstrate compliance. Because the facility may choose either method at any time, both methods are included as applicable requirements in the alternative. This situation is not appropriately described as an "alternate operating scenario," because the source's operation is not changing in any way. A new standard condition-I.J.1- requiring records and reporting of the compliance options used has been added to Section I, Standard Conditions, of the permits. The control devices are identified in Table II-B.
161.	The changes have been made to the permit, based on the argument made in the comments.
162.	The changes have been made to the permit, based on the argument made in the comments. Flow rate monitoring has not been added because residence time is already inherent in the design of the thermal oxidizer.
163.	No change has been made to the permit. Applicable requirements of 61.343 through 61.347 are listed for each wastewater cluster.
164.	No change has been made to the permit. The facility has a portion of the drains that are subject to QQQ based on the construction or modification date, and those drains that are subject to QQQ are included in Cluster 20q – Table IV.G.1.3. The facility also has some sources that are not subject to QQQ based on the age of the units, and the fact that there has not been any construction or modification to the drain system in those sources that would have triggered the QQQ requirements. In summary, the QQQ requirements have never been triggered for the facility as a whole, but have been triggered in some instances for individual plant sources. Thus, two separate tables were created in the Title V permit, one that lists the applicable requirements for drain systems subject to QQQ, and one that lists the applicable requirements for drain systems not subject to QQQ. Cluster 20d is the table for drain systems not subject to QQQ.
165.	No change has been made to the permit. The Section 8-8-112 exemption is not currently being applied to the sources included in the wastewater tables. Rather, it is included to provide flexibility to the facility if it is able to meet this exemption. Furthermore, a standard condition is being added to the permit that requires record keeping to demonstrate which compliance option is being used.
166.	No change has been made to the permit. Chevron claims these sources are exempt from 8-8 under sections 112 and 114. QQQ affects oil/H ₂ O separators including storage tanks/vessels installed/modified/reconstructed after 5/4/87. The oil/H ₂ O separators have not been modified or reconstructed since 5/4/87. The wastewater storage tanks are subject to Subpart K and exempt from QQQ per 40 CFR 60.692-3(d).
167.	No change has been made to the permit. Sludge dewatering does not occur at this facility.

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168.	The District's understanding is that Chevron has always considered the wastewater system to be subject to Group 1 standards. This is due to the fact that they are subject to the Benzene Waste Operations NESHAP (BWON); 40 CFR 61 FF, and the Refinery MACT says if the facility has Group 1 wastewater streams that the compliance plan is the Subpart FF BWON requirements. The Richmond Refinery complies with Subpart FF BWON requirements.
169.	The facility complies with Subpart FF BWON, which is what the Refinery MACT regulation standards refer to for Group 1 systems. The compliance option 61.342(e) allows the facility flexibility to meet the 6 BQ limit, and therefore part of the process drain system is not required to be fully controlled as long as the uncontrolled wastestream benzene amount is less than 6 Mg. Thus, some of the Richmond Refinery process drains are not controlled, and the drain cluster states that they are exempt from controls.
170.	All compliance alternatives are included to allow the full use of the regulation should there ever be reason to. However, if this is being narrowed now to only include the specific citations that the facility is currently subject to, the facility is able to clarify the compliance options. This facility is greater than 10 Mg/yr in total annual benzene quantity (TAB). The facility utilizes compliance option 61.342(e).
171.	No change has been made to the permit. A3200 is the firebox of a process heater (F-1100B).
172.	No change has been made to the permit. S3200 is the source number for the entire DEBRU plant. Within the plant, there are three sources S3110, S3111, and S3192 that are directly abated by A3200. It is not correct to say that S3200 is abated by A3200, rather it is more accurate to state that the three individual sources listed above are abated by A3200.
173.	The change has been made to the permit based on the argument made in the comment.
174.	No change has been made to the permit. The facility complies with the applicable sections of 40 CFR 61 for the compliance option 61.342(e). Furthermore, for the affected WMUs, closed vent and control devices, treatment systems etc., the facility complies with the monitoring, recordkeeping, and reporting requirements of those specific applicable standards. Therefore, the facility complies with the 63.647(c) citation, and there should be no issue with adding this citation. The citation is already included in the permit.
175.	Condition 19177, Part 22a indicates the SO ₂ emissions are based on TRS measurement, which means all sulfur compounds, including H ₂ S, are converted 100% to SO ₂ . Further clarification of 100% H ₂ S conversion does not appear to be necessary.
176.	The District disagrees with EPA's suggestion. While we agree that emissions of particulates and SO _x are related to the amount of sulfur in the fuel, it does not follow that testing at maximum H ₂ S content is needed to assure compliance. In fact, the direct relationship of emissions to fuel sulfur content makes extrapolation from as-found sulfur levels to maximum allowable sulfur levels a simple task. If the as-found source test indicates that compliance at higher fuel sulfur levels may be problematic, the District has the authority to require or conduct a source test as needed.
177.	Some furnaces have never been modified since the District began issuing permits. Heat input restrictions for those units have been imposed pursuant to a state-only requirement, BAAQMD 2-1-234. All other furnaces that have been modified or built since 1979 are subject to throughput limits imposed either explicitly or implicitly during permit review. These throughput limits are federally enforceable, because they were imposed to implement permitting rules contained in the SIP.
178.	The MACT2 requirements of correlating COM to particulate and grain loading emissions, or monitoring parameters such as voltage or current, will be addressed in Revision 2 of the permit after Valero complies with the MACT2 notification application requirement later this year per Condition 20620.
179.	No changes have been made. The suggested source testing is already occurring. S5 and S6 have annual source tests for 6-310 and 6-311 compliance. S5 and S6 provide fuel to S3 and S4, so the source tests imposed on S5 and S6 will provide monitoring for S3 and S4. These source tests are performed on the main stack emission point downstream of S3 and S4 and the ESPs.
180.	Some changes have been made. According to the SIP version of Regulation 1 on the

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	EPA website as of 5/12/04, SIP 1-522.7 is different than the BAAQMD 1-522.7. 1-602 and 1-604 are not in the SIP version of Regulation 1. Table IV-A4 is correct as is. 6-305 will be added to the permit for S5 and S6. It was previously omitted because S5 and S6 emissions are actually feed to S3 and S4 as CO fuel.
181.	No changes have been made. Many of the Table IX-B24 Permit Shields were deleted in the final 1Dec03 permit because the streamlined requirements were less stringent. Of the three remaining, the two subject to this comment are actually non-applicable requirements (rather than subsumed) because 40 CFR 63.640(p) states that if equipment leaks are also subject to Part 60 (NSPS) and Part 61 (NESHAPS), then they are only required to comply with Part 63 (MACT). The 10-52 and 10-59 items in Table IXB-24 were deleted and a new Table IX A-5 was added to show this in detail.
182.	The requested cross-referencing will be considered at a later time.
183.	Changes made to Tables IX-A2, A3 & A4.
184.	All permit shields are unnecessary, by definition. They document the permitting agency's determination that a plausibly applicable requirement does not, in fact, apply. They are incorporated at the request of the applicant if supported factually and legally. The District knows of no legal reason why a shield from certain requirements of Part 70 is inappropriate.
185.	Changes were not made. Citing BAAQMD 9-1-301 as federally enforceable in Table IV-Refinery Generally Applicable Requirements which require routine monitoring clarifies that SIP 9-1-301 is applicable. 9-1-502 is not applicable since the Claus units do not emit more than the 100 lb/day limit of 9-1-307.
186.	The change was not made. S1 and S2 are not sulfuric acid plants that are subject to 9-1-309, Emission Limitations for Sulfuric Acid Plants. S1 and S2 don't make sulfuric acid.
187.	The change was not made. EPA is correct, Regulation 9-1-606 does specify Method 32, but this is a typographic error. Method 32 is Determination of Hydrogen Sulfide in Process Water Streams. Method 25 is the correct procedure for gas streams.
188.	The changes were made. The requirement to operate and maintain the best available H2S monitor on the Sulfur Plant Tail Gas effluent is in Conditions 125 and 126, Part 2.
189.	No change was made. 40 CFR 61.357(d)(5) is already included in Table VII – Refinery Applicable Limits and Compliance Monitoring Requirements Refinery-Wide Applicability, starting on the 5 th row.
190.	A Sewer Pipeline and Process Drains applicability determination has been included in the SOB. The Subpart CC wastewater provisions reference Subpart FF, with which Valero complies through 61.342(e)(2)(i). The 61.356(b) recordkeeping requirements are shown in Table IV-Refinery Generally Applicable Requirements that require routine monitoring. Subpart QQQ does not apply since the facilities were built prior to May 4, 1987. Two process unit storm water sewer systems were added after May 4, 1987, but these are exempt from Subpart QQQ per 60.692-1(d)(1).
191.	Change made as requested. Subpart FF 61.356(b)(4) was added.
192.	A Sewer Pipeline and Process Drains applicability determination has been included in the SOB. The Subpart CC wastewater provisions reference Subpart FF, which Valero complies through 61.342(e)(2)(i). The 61.356(b) recordkeeping requirements are shown in Table IV-Refinery Generally Applicable Requirements, which require routine monitoring. Subpart QQQ does not apply since the facilities were built prior to May 4, 1987. Two process unit storm water sewer systems were added after May 4, 1987, but these are exempt from Subpart QQQ per 60.692-1(d)(1).
193.	Changes were not made. 349(a)(1)(ii)(B) locked closed vents and 61.354(f)(1) monitoring are already in the permit. See Table VII-J38 for an example. 349(a)(1)(ii)(A) is not because the flow meters are not the selected compliance option.
194.	No changes were made. EPA is correct – the original response is incorrect. Condition 19466, Part 2a and 2b required source tests on S188 and S189 to confirm destruction efficiency of A13/A26. However, these are vapor recovery compressors that collect the vapors and discharge them into the fuel gas system for combustion in the various process heaters and/or furnaces. During upset conditions or emergency malfunctions, the gases could be flared. All of these outcomes result in the combustion of the gases in devices that are commonly accepted to have destruction efficiencies well over 70%. Therefore,

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	monitoring is not imposed on this source.
195.	The comments regarding Conoco-Phillips and Shell repeat the comments contained in the letter dated October 31, 2003. The District will respond to those comments separately.

Attachment B