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EXECUTIVE OFFICER/APCO

July 01, 2015

Martinez Environmental Group  
c/o Aimee Durfee

Bay Area Refinery Corridor Coalition  
c/o Tom Griffith

Dear Ms. Durfee and Mr. Griffith:

This letter responds to your comments received in a June 1, 2015 letter to the Bay Area Air Quality Management District (District) regarding the proposed renewal Title V permit for the Plains Products Terminal LLC (Plains) facility located in Martinez, CA.

A Title V permit is a federal operating permit. It is not a "pre-construction" permit. A Title V permit simply compiles existing permits and other requirements in one document. It does not allow any new equipment, operations, or materials that are not already allowed by current District permits. A permit renewal incorporates those permit modifications and alterations approved by the District since the permit's last renewal.

After a careful review and analysis of the comments we have received from members of the public on the proposed permit, we have determined that a public hearing on the proposed Title V permit for this facility is not warranted.

We are happy to meet with you on an individual basis at the District headquarters in San Francisco, where several District staff will be available to answer your questions regarding the proposed renewal of the Title V permit for Plains Products Terminals, LLC. Please contact Dennis Jang at [DJang@baaqmd.gov](mailto:DJang@baaqmd.gov) or (415) 749-4707 to set up a meeting.

Your comments are quoted below, followed by the District's responses to each of them.

**Comment 1:** "Since Plains also operates the Crude Terminal in Bakersfield and the company has identified Bakken and tar sands as possible feed stocks to be transported through that terminal, will Plains Products in Martinez bring in either Bakken crude or tar sands oil at a higher level than under their previous permit? If Plains will be transporting and/or storing either of these, or any other lower quality crude oil feedstock, the permit should disclose this fact. Also, the permit should take into account the higher pollution levels produced by those substances, and BAAQMD should require stricter controls on emissions from these substances."

**Response:** No changes were made to the permit. This Title V Permit renewal does not permit Plains to store any new or different materials. As shown in Table II-A, this facility is permitted to store crude oil, as well as other materials in four external floating roof tanks S-13, S-14, S-15 and S-16. Permits for these storage operations were granted under the District's new source review (NSR) program. In the future, if Plains chooses to increase a tank's storage capacity or to store a material that is different than what is currently permitted, including a different quality crude oil that could exceed the permitted emissions limits, Plains may be required to submit a permit application in accordance with Regulation 2, Rule 1, for District review and approval.

**Comment 2:** "The draft permit states that the facility will be allowed to emit 25.8 tons of particulate matter during the course of one year. That is over 2 tons per month! This is unbelievable – especially since there is a low-income residential neighborhood about one mile from the tank farm site."

- a. "What are the allowable legal limits on particulate matter for storage facilities and
- b. Will BAAQMD pro-actively reduce those limits to protect vulnerable populations living nearby?"
- c. "What is the source of the particulate matter and how much of it makes its way into the nearby water?"
- d. "Has the water been tested? "
- e. "What kind of particulate matter is it...PM 10, PM 2.5?"

**Response:** This Title V Permit renewal does not affect the PM emissions for this facility.

- a. The 25.8 tons particulate matter emission limit was established in a pre-construction/NSR permit and is the maximum amount of PM emissions allowed for this facility.
- b. As indicated by our statements at the outset of this response letter, renewal of Plains' Title V Permit will not modify current emission limits or other permit requirements, but will incorporate previous District-approved modifications and alterations to reflect current emission limits and other requirements. Since Plains' facility Title V renewal (in 2007), it obtained a District permit to install a new emergency firewater pump. The result is a 0.002 ton/year increase in PM emissions.

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In response to your concern about District efforts to reduce PM emissions to protect vulnerable populations, I note, the District reduces emissions of air contaminants by adopting new and amending existing rules and regulations.

c. Tracking the ultimate offsite disposition of PM emissions is not part of the Title V Permit renewal effort.

d. The District does not conduct or require water quality testing as part of the Title V Permit renewal effort.

e. All PM emissions from this facility are less than 10 µm in size.

**Comment 3:** a. "Under what legal authority are the permitted limits for 20 tanks being "grandfathered in" from a 1987 level (see pages 8-9)?"

b. "Where in the permit does it establish that the 1987 levels are in compliance with current law?"

c. "If these storage tanks may hold post-1987 crude types such as Bakken, tar sands, or lower quality crude feed stocks, then wouldn't that remove those tanks and subsequent pipes from a "grandfathered in" status?"

**Response:** a. There were 20 "grandfathered" sources, some of which were storage tanks that were in service prior to the Clean Air Act and the requirement for New Source Review. However, 5 of these sources are no longer grandfathered because Plains modified these sources in a manner that triggered NSR.

b. Section IV, Source-specific Applicable Requirements establishes the current requirements. Many of the changes to Section IV are due to showing the requirements of current regulations.

c. Yes. Four tanks currently permitted to store crude oil have been modified, subjected to New Source Review, and are no longer "Grandfathered".

**Comment 4:** "Plains All American is responsible for the recent 9-mile-long oil spill in San Diego and has an extensive record of mismanagement resulting in significant environmental damage. According to a recent analysis of federal documents by the Center for Biological Diversity, the company was responsible for 175 incidents nationwide -- mostly oil spills -- since 2006, including 11 in California."

a. "With this in mind, how will BAAQMD take all reasonable measures to pro-actively prevent another spill by this company, which would have dramatic

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effects on air quality? For example, will BAAQMD inspect pipelines that may already be corroded? Make sure that all equipment is in working order?"

b. "If a spill does occur, what is BAAQMD's role with respect to emergency response? Has BAAQMD inspected pipelines for adequate numbers of working shut-off valves, since Plains All American has been known to overlook this simple but important safety measure, resulting in a recent 100,000+ gallon spill that has left an oily mess along popular Southern California beaches?"

**Response:** Safety issues are handled by Cal/OSHA.

a. This Title V Permit Renewal added Standard Condition K, Accidental Release, which cites the applicability of 40 CFR 68. Pipeline issues are handled by the U.S. Department of Transportation Pipeline and Hazardous Material Safety Administration.

b. The District is not a first responder. Our agency responds to incidents that involve emissions of air contaminants. The District provides technical information, emission monitoring and other support to the first responders.

I hope that this information answers the questions you raised in your letter. If you have any further questions, please feel free to give me a call at (415) 749-4742 and I will do my best to answer them.

Thank you for your comments.

Sincerely,



Jim Karas, P.E.

Director, Engineering Division