

December 16, 2004

Valero Refining Co. - California
3400 East Second Street
Benicia, CA 94510-1097

Attention: Mr. Douglas W. Comeau,
Vice President and General Manager

ALAMEDA COUNTY

Roberta Cooper
Scott Haggerty
(Chairperson)
Nate Miley
Shelia Young

Application Number: 2488, 9298
Plant Number: B2626
Equipment Location: Same as above

CONTRA COSTA COUNTY

Mark DeSaulnier
Erling Horn
Mark Ross
Gayle Uilkema
(Secretary)

Dear Mr. Comeau:

The requirement for public and EPA review of the proposed reopening of your Major Facility Review Permit has been completed.

Following is the chronology of events for this permit reopening:

- The formal notice of reopening pursuant to BAAQMD Regulation 2-6-415 was sent on December 15, 2003.
- The notice was published in the Benicia Herald on March 1, 2004.
- The final date for comments was March 31, 2004, but was extended to April 14, 2004.
- The permit was amended in response to comments.
- The proposed permit was sent to EPA for review on August 25, 2004.
- EPA commented on the permit on October 8, 2004.

The District has decided to issue the permit. Several changes have been made in response to EPA comments. In addition to these changes, minor changes and corrections have been made in response to comments from the facility. Complete details are contained in the final Statement of Basis. Responses to Comments have been prepared for EPA and all members of the public who commented. A formal response to your comments will be transmitted to you within 30 days of this letter.

EPA in its October 8, 2004, letter identified a number of issues requiring follow-up and, as appropriate, further revision to the permit. The District is committed to addressing these issues through a cooperative effort with EPA. Among the most important issues are those identified in Attachment 1 to the October 8 letter. The District's first step in addressing the Attachment 1 issues will be a proposed determination to be transmitted to EPA on or before January 6, 2005.

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

In addition to the above changes, this action also issues the minor revision proposed in application **2488**. The purpose of the minor revision was to remove the natural gas firing restriction for the Cogen#1 Gas Turbine S-1030, pursuant to Condition 19177, Part 18d. This minor revision was proposed on October 25, 2004. The EPA review period was complete on December 13, 2004. No comments were received from EPA.

The major changes from the permit issued on December 1, 2003, have been listed in the new Revision History, Section X of the permit. All other details are in the final Statement of Basis.

This letter also constitutes notice that the District intends to reopen your Title V permit to address certain issues identified by EPA in attachment 1 of its October 8, 2004, letter to the District, a copy of which has already been provided to you. The District may determine in the interim that certain of the issues identified by EPA are not relevant to your facility.

Enclosed are copies of the final permit, the final evaluation report/statement of basis, dated December 2004, and all responses to comments prepared to date. If you have any questions regarding this permit, please call Arthur Valla, Air Quality Engineer, at (415) 749-5184.

Sincerely yours,

Jack P. Broadbent
Executive Officer / APCO

APV:myl

Enclosures: Final permit

Final statement of basis

Response to EPA letter of April 14, 2004

Response to Golden Gate University letter of April 14, 2004

Response to WSPA letter of April 14, 2004

Cc: Clark Hopper, Eric Hengst, Sky Bellanca, Valero Refining Company - California

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