

Bay Area Air Quality Management District

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**Permit Evaluation
and
Statement of Basis
for
Renewal
of the**

MAJOR FACILITY REVIEW PERMIT

for
**NuStar Logistics, L.P.
Facility #B5574**

Facility Address:
3400 East Second Street
Benicia, CA 94510-1097

Mailing Address:
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Application Engineer: Thu Bui
Site Engineer: Thu Bui

Application: 17682

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Title V Statement of Basis

A. Background

This facility is subject to the Operating Permit requirements of Title V of the federal Clean Air Act, Part 70 of Title 40 of the Code of Federal Regulations (CFR), and BAAQMD Regulation 2, Rule 6, Major Facility Review because it is a major facility as defined by BAAQMD Regulation 2-6-212. It is a major facility because it has the “potential to emit” (as defined by BAAQMD Regulation 2-6-218) more than 100 tons per year of a regulated air pollutant or more than 10 tons per year of a hazardous air pollutant or more than 25 tons per year of a combination of hazardous air pollutants.

Major Facility Operating permits (Title V permits) must meet specifications contained in 40 CFR Part 70 as contained in BAAQMD Regulation 2, Rule 6. The permits must contain all “applicable requirements” (as defined in BAAQMD Regulation 2-6-202), monitoring requirements, recordkeeping requirements, and reporting requirements. The permit holders must submit reports of all monitoring at least every six months and compliance certifications at least every year.

In the Bay Area, state and District requirements are also applicable requirements and are included in the permit. These requirements can be federally enforceable or non-federally enforceable. All applicable requirements are contained in Sections I through VI of the permit.

Each facility in the Bay Area is assigned a facility identifier that consists of a letter and a 4-digit number. This identifier is also considered to be the identifier for the permit. The identifier for this facility is B5574.

The District issued the initial Title V permit for the assets owned by Valero Logistic Operations on December 1, 2003 in the B2626 Title V permit for Valero Refining Company – California and in the A0901 Title V permit for the Valero Benicia Asphalt Plant. The District transferred the assets from facilities B2626 and A0901 to facility B5574 in 2004 via Application 7980 and issued a Title V permit for facility B5574 on October 4, 2006 via Application 8925 Effective April 1, 2007, the name of Valero Logistics Operations, L.P. was changed to NuStar Logistics, L.P.

2008 Renewal:

This application is for a permit renewal, ownership and SIC code change. Although the current permit expired on November 30, 2008, it continues in force until the District takes final action on the permit renewal. This permit has been upgraded to include new standard language used in all Title V permits. The Title V permit revision associated with the 2008 renewal application updates regulations and incorporates changes made through New Source Review and Title V permit applications. The changes involved in this revision are reflected in the accompanying draft permit, and they are explained in this statement of basis for the Renewal. For ease of reference for reviewers at this draft permit stage, all changes to the current permit being made through the renewal are shown in “strikeout/underline” format.

The Renewal permit application incorporates the following recent Title V permit applications into the permit:

Application Number(s) (Title V/New Source Review (NSR))	Description
16898/None	SIC Change, Ownership Change, Minor Title V revisions
16895/None	Consolidated Table IIA Throughput Limits for B5574 and B2626 sources
16883/16882	Reclassify S-68 and S-72 as Exempt tanks and Revise Table IIA throughput limit for S-67

B. Facility Description

NuStar Logistics, L.P. owns 16 hydrocarbon liquid storage tanks that are integrated into the overall petroleum refinery and asphalt plant facilities at the Valero Benicia Refinery (B2626) and Valero Benicia Asphalt Plant (A0901).

General Description of a Special Warehousing and Storage Facility (SIC 4226)

The NuStar Logistics, L.P. Special Warehousing and Storage Facility (SIC 4226) provides storage capacity for organic liquids and other liquids associated with petroleum refining. Storage tank emissions are controlled through the use of add on control and or fitting loss control. Fugitive emissions have been controlled through the use of inspection and maintenance frequencies.

The SIC code change from 2911 to 4226 does not change any applicable requirements for the sources at this facility. It will continue to be treated as part of the refinery and asphalt plant Title V permits as a contiguous and interdependent facility.

The title of the responsible official is changed from to General Manager Operations West to Vice President/General Manager as requested by the facility during the public comment period.

C. Permit Content

The legal and factual basis for the permit follows. The permit sections are described in the order presented in the permit.

I. Standard Conditions

This section contains administrative requirements and conditions that apply to all facilities. If the Title IV (Acid Rain) requirements for certain fossil-fuel fired electrical generating facilities or the accidental release (40 CFR § 68) programs apply, the section will contain a standard condition pertaining to these programs. Many of these conditions derive from 40 CFR § 70.6, Permit Content, which dictates certain standard conditions that must be placed in the permit. The language that the District has developed for many of these requirements has been adopted into the BAAQMD Manual of Procedures, Volume II, Part 3, Section 4, and therefore must appear in the permit.

The standard conditions also contain references to BAAQMD Regulation 1 and Regulation 2. These are the District's General Provisions and Permitting rules.

Changes in Section I

- The dates of adoption and approval of rules in Standard Condition 1.A, 1.F and 1.G have been updated.
- The following language was added to Standard Condition I.B.1: "If the permit renewal has not been issued by [], but a complete application for renewal has been submitted in accordance with the above deadlines, the existing permit will continue in force until the District takes final action on the renewal application." This is the "application shield" pursuant to BAAQMD Regulation 2-6-407.
- Standard Condition I.B.11, added basis (Regulation 2, Rule 6).

- The following language was added as Standard Condition I.B.12: “The permit holder is responsible for compliance, and certification of compliance, with all conditions of the permit, regardless whether it acts through employees, agents, contractors, or subcontractors. (Regulation 2-6-307).” The purpose is to reiterate that the Permit Holder is responsible for ensuring that all activities at the facility comply with all applicable requirements.
- Standard Condition I.F, added 2-6-409.18 to basis.
- Standard Condition I.J.2, revised to require reporting of grandfathered source capacity limits as permit applications to facilitate tracking by the District.

II. Equipment

This section of the permit lists all permitted or significant sources. Each source is identified by an S and a number (e.g., S24).

Permitted sources are those sources that require a BAAQMD operating permit pursuant to BAAQMD Rule 2-1-302.

Significant sources are those sources that have a potential to emit of more than 2 tons per year of a “regulated air pollutant” (as defined in BAAQMD Rule 2-6-222) or 400 pounds per year of a “hazardous air pollutant” (as defined in BAAQMD Rule 2-6-210).

All abatement (control) devices that control permitted or significant sources are listed. Each abatement device whose primary function is to reduce emissions is identified by an A and a number (e.g., A-24). If a source is also an abatement device, such as when an engine controls VOC emissions, it will be listed in the abatement device table but will have an “S” number. An abatement device may also be a source (such as a thermal oxidizer that burns fuel) of secondary emissions. If the primary function of a device is to control emissions, it is considered an abatement (or “A”) device. If the primary function of a device is a non-control function, the device is considered to be a source (or “S”).

The equipment section is considered to be part of the facility description. It contains information that is necessary for applicability determinations, such as fuel types, contents or sizes of tanks, etc. This information is part of the factual basis of the permit.

Each of the permitted sources has previously been issued a permit to operate pursuant to the requirements of BAAQMD Regulation 2, Permits. These permits are issued in accordance with state law and the District’s regulations. The capacities in the permitted sources table are the maximum allowable capacities for each source, pursuant to Standard Condition I.J and Regulation 2-1-403.

Changes in Section II

Devices with Editorial Changes

- S-1, S-2, S-4, S-23: Updated description; added permit condition for throughput limit and “New Source Review”
- S-70, S-71: Corrected Throughput description

Devices with Changed Permit Status:

- S-57 through S-62
 - Added firm throughput limit from Condition 20820, part 32 [NSR Application 5846 (B2626 VIP)]. Limits consolidated for Facilities B5574 and B2626 crude tanks per A/N 16895 (Title V)
 - Changed from Grandfathered to New Source Review [NSR Application 5846 (B2626 VIP)].
- S-67
 - Description changed to add “Waste Oil” per Application 16898 (Title V).
 - Throughput limit not changed, but no longer combined with S-67, S-68, and S-72 per A/N 16882 (NSR)/16883 (Title V).
- S-68 and S-72
 - Changed from Permitted to Exempt per Applications 16882 (NSR)/16883 (Title V). Moved from Table IIA to Table IIB and added reason for exemption.

III. Generally Applicable Requirements

This section of the permit lists requirements that generally apply to all sources at a facility including insignificant sources and portable equipment that may not require a District permit. If a generally applicable requirement applies specifically to a source that is permitted or significant, the standard will also appear in Section IV and the monitoring for that requirement will appear in Sections IV and VII of the permit. Parts of this section apply to all facilities (e.g., particulate, architectural coating, odorous substance, and sandblasting standards). In addition, standards that apply to insignificant or unpermitted sources at a facility (e.g., refrigeration units that use more than 50 pounds of an ozone-depleting compound) are placed in this section.

Unpermitted sources are exempt from normal District permits pursuant to an exemption in BAAQMD Regulation 2, Rule 1. They may, however, be specifically described in a Title V permit if they are considered “significant sources” as defined in BAAQMD Rule 2-6-239.

Changes in Section III:

Language has been added to Section III to clarify that this section contains requirements that may apply to temporary sources. This provision allows contractors that have “portable” equipment permits that require them to comply with all applicable requirements to work at the facility on a temporary basis, even if the permit does not specifically list the temporary source. Examples are temporary sandblasting or soil-vapor extraction equipment.

Section III has been modified to say that SIP standards are now found on the EPA website and are not included as part of the permit.

Table III has been updated by adding or modifying the following rules and standards to conform to current practice:

- The dates of adoption or approval of the rules and their “federal enforceability” status in Table III have been updated.
- BAAQMD 2-1-429, Federal Emissions Statement – moved to Table III from Table IV General
- BAAQMD Regulation 6, Particulate Matter and Visible Emissions has been renamed and renumbered as Regulation 6, Rule 1, Particulate Matter, General Provisions and federal enforceability changed to “N”
- SIP Regulation 6, Particulate Matter and Visible Emissions – added
- SIP Regulation 8, Rule 2 – added
- SIP Regulation 8, Rule 28-302 – added
- SIP Regulation 8, Rule 40 – added
- BAAQMD Regulation 10 Subpart A – removed from Table III and added in Section IV where applicable
- Title 40 Part 82 Subpart F, removed detailed listings 82.156, 82.161, and 82.166. No sources subject to Subpart F at facility
- Title 40 Part 82 Subpart H – Removed “82.270(b)”. No sources subject to Subpart H at facility

IV. Source-Specific Applicable Requirements

This section of the permit lists the applicable requirements that apply to permitted or significant sources. These applicable requirements are contained in tables that pertain to one or more sources that have the same requirements. The order of the requirements is:

- District Rules
- SIP Rules (if any) are listed following the corresponding District rules. SIP rules are District rules that have been approved by EPA for inclusion in the California State Implementation Plan. SIP rules are “federally enforceable” and a “Y” (yes) indication will appear in the “Federally Enforceable” column. If the SIP rule is the current District rule, separate citation of the SIP rule is not necessary and the “Federally Enforceable” column will have a “Y” for “yes”. If the SIP rule is not the current District rule, the SIP rule or the necessary portion of the SIP rule is cited separately after the District rule. The SIP portion will be federally enforceable; the non-SIP version will not be federally enforceable, unless EPA has approved it through another program.
- Other District requirements, such as the Manual of Procedures, as appropriate.
- Federal requirements (other than SIP provisions)
- BAAQMD permit conditions. The text of BAAQMD permit conditions is found in Section VI of the permit.
- Federal permit conditions. The text of Federal permit conditions, if any, is found in Section VI of the permit.

Section IV of the permit contains citations to all of the applicable requirements. The text of the requirements is found in the regulations, which are readily available on the District or EPA websites, or in the permit conditions, which are found in Section VI of the permit. All

monitoring requirements are cited in Section IV. Section VII is a cross-reference between the limits and monitoring requirements. A discussion of monitoring is included in Section C.VII of this permit evaluation/statement of basis.

Complex applicability determinations

Sources S-57 through S-62 have changed from Grandfathered to New Source Review status with the new firm throughput limit of Condition 20820, part 32. However, these sources were not modified or reconstructed in accordance with the definitions of those terms in 40 CFR, Part 60 Subpart A, therefore, these sources are not subject to 40 CFR, Part 60 Subpart Kb tank requirements.

Applicability of 40 CFR, Part 64, Compliance Assurance Monitoring (CAM)

40 CFR, Part 64, Compliance Assurance Monitoring (CAM)

The Compliance Assurance Monitoring (CAM) regulation in 40 CFR, Part 64 was developed to provide assurance that facilities comply with applicable emissions limitations by adequately monitoring control devices. The CAM rule was effective on November 21, 1997. However, most facilities are not affected by CAM requirements until they submit applications for Title V permit renewal. As required, NuStar has conducted an applicability analysis for CAM for the Benicia Facility (Plant 15574) as part of this renewal application and incorporated the applicable requirements in the permit markup for Table IV-General.

CAM applies to a source of criteria pollutant or hazardous air pollutant (HAP) emissions if all the following requirements are met:

- The source is located at a major source for which a Title V permit is required; and
- The source is subject to a federally enforceable emission limitation or standard for a criteria pollutant or HAP; and
- The source uses a control device to comply with the federally enforceable emission limitation or standard; and
- The source has potential pre-control emissions of the regulated pollutant that are equal to or greater than the major source threshold for the pollutant (in BAAQMD, the major source thresholds are 100 tons per year for each criteria pollutant, 10 tons per year for a single HAP, and 25 tons per year for two or more HAPs); and
- The source is not otherwise exempt from CAM.

CAM exemptions are specified in 40 CFR, Part 64.2(b)(1) – Exempt Emission Limitations or Standards. Exemptions that could reasonably apply to emission sources at the NuStar facility are:

- 40 CFR, Part 62(b)(1)(i) – Emission limitations or standards proposed by the Administrator after November 15, 1990, pursuant to section 111 or 112 of the ACT; or
- 40 CFR, Part 62(b)(1)(vi) – Emission limitations or standards for which a Title V Permit specifies a continuous compliance determination method (a method, specified by the applicable standard or an applicable permit condition, which: (1) is used to determine compliance on a continuous basis, consistent with the averaging period established for

the emission limitation or standard; and (2) Provides data either in units of the standard or correlated directly with the compliance limit).

Emission sources at the NuStar facility were first evaluated by the following criteria to identify sources requiring further analysis for CAM applicability:

- The source is listed in the existing Title V Permit or will be added to the permit in this renewal application; and
- The source uses a control device to routinely control the emissions of a regulated pollutant (criteria pollutant or listed HAP).

None of the sources at the facility required further analysis for CAM applicability.

- S-57 through S-62, S-67, S-68, S-72, and S-74 are floating roof tanks. The floating roofs are considered inherent process equipment as defined in 40 CFR, Part 64.1 and not control devices. Since these sources do not have control devices as defined in CAM, CAM does not apply.
- S-70 and S-71 are exempt fixed roof tanks and are not subject to CAM because they do not have a federally enforceable limit for a criteria pollutant or hazardous air pollutant. If these tanks are put into regulated service in the future, they will not be subject to CAM because they do not have control devices as defined in CAM. These tanks are vented to the refinery vapor recovery system and refinery fuel gas system. The refinery fuel gas system is not a control device, but is a material recovery system as defined in the definition of inherent process equipment in 40 CFR, Part 64.1. Since these sources do not have control devices, CAM would not be applicable.

Changes to Section IV:

- Section IV has been modified to say that SIP standards are now found on EPA's website and are not included as part of the permit.
- The dates of adoption or approval of the rules and their "federal enforceability" status in Section IV tables have been updated.
- In titles of federal tank regulations (40 CFR, Part 60 Subpart Kb, 40 CFR, Part 63 Subpart G, 40 CFR, Part 63 Subpart CC), added description of affected sources for clarification of applicability.
- Made miscellaneous editorial revisions to regulation names and descriptions for clarification.
- Table IV-General
 - Regulation 1-301, deleted per Application 16898 (Title V)
 - Regulation 2, Rule 1 and 2-1-429; deleted and moved to Table III
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Regulation 10 and 10-1; added (moved from Table III)
 - BAAQMD and SIP Manual of Procedures, deleted consistent with other facilities
 - 40 CFR, Part 60 Subpart A, incorporated Application 16898 (Title V)

- 40 CFR, Part 61 Subpart A, incorporated Application 16898 (Title V)
- 40 CFR, Part 61 Subpart FF, incorporated Application 16898 (Title V) and consistent with Facility B2626 and A0901 applications for 60 Subpart FF changes. Valero (Facility B2626/A0901) operates the NuStar facility in conjunction with their Refinery (B2626) and Asphalt Plant (A0901) and manages compliance with 61 Subpart FF for the facilities as a single consolidated facility. Facility has no treatment units (61.348) and no controlled individual drains (61.346). Facility B5574 has no sour water stripper. Facility B5574 has no closed vent systems or control devices for compliance with 61 Subpart FF. Editorial changes in description column
- 40 CFR, Part 63 Subpart A, incorporated Application 16898 (Title V)
- 40 CFR, Part 63 Subpart B, relocated in table to correct order
- 40 CFR, Part 63 Subpart CC, incorporated Application 16898 (Title V)
- 40 CFR, Part 98 Subpart A, C, Y and MM, incorporated for Mandatory Greenhouse Gas Reporting
- Condition 20762, added Part 2 and renumbered Part 3 to incorporate District changes
- Condition 21738, removed per Application 16898 (Title V)
- Condition 19466-4; removed per Application 16898 (Title V)
- Table IV-A
 - Renumbered; was Table IV-B
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Regulation 10 and 10-17; added for NSPS Subpart Kb
 - Editorial changes to remove “40 CFR”
 - 40 CFR, Part 61 Subpart FF; updated per Application 16898 (Title V) with minor changes for consistency with Facility B2626 and A0901
- Table IV-B
 - Renumbered; was Table IV-J1
 - Consolidated with Table IV-J2; added S-58 (TK-1702)
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Added BAAQMD and SIP 8-5-321.3 and applicable subparagraphs for metallic-shoe primary seal. Both tanks are currently equipped with resilient toroid seals (8-5-321.4). Metallic-shoe seal requirements added for flexibility to allow facility to change seal type in the future.
 - Editorial changes to remove “40 CFR”
 - 40 CFR, Part 63 Subpart CC, incorporated Application 16898 (Title V)
 - Condition 22333, added “Applicable to S-57 only” for clarification
- Table IV-J2: removed

- Table IV-C
 - Renumbered; was Table IV-J3
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - 40 CFR, Part 63 Subpart CC, incorporated Application 16898 (Title V)
 - Editorial changes to remove “40 CFR”
- Table IV-D
 - Renumbered; was Table IV-J4
 - Consolidated with Table IV-J6; added S-72 (TK-1720)
 - Table Title – administrative change to add detail
 - Changed S-68 and S-72 to Exempt status per Application 16882 (NSR)/16883 (Title V)
 - Regulation 8, Rule 5 and SIP Regulation 8 Rule 5; removed all applicability except 8-5-117 (low vapor pressure exemption); added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP
 - 40 CFR, Part 63 Subpart CC; changed applicability from MACT Group 1 to MACT Group 2
 - 40 CFR, Part 63 Subpart G; removed all applicability – this regulation applies to MACT Group 1 tanks only
 - Condition 20762; added all parts
 - Editorial changes to remove “40 CFR”
- Table IV-E
 - Renumbered; was Table IV-J5
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Added BAAMQD and SIP 8-5-320.5 and applicable subparagraphs for slotted guidepoles and sampling wells. This tank is currently equipped with solid guidepoles and sampling wells (8-5-320.4). Slotted guidepole and sampling well requirements added for flexibility to allow facility to remove solid guidepole sleeves in the future.
 - 40 CFR, Part 63 Subpart CC, incorporated Application 16898 (Title V)
 - Editorial changes to remove “40 CFR”
- Table IV-J6: removed
- Table IV-F
 - Renumbered; was Table IV-J15
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP Regulation 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - SIP Regulation 8, Rule 5; removed all applicability except 8-5-117.
 - Editorial changes to remove “40 CFR”
 - Condition 20762; added all parts

- Table IV-G
 - Renumbered; was Table IV-J33
 - Regulation 8, Rule 5 and SIP Regulation 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Added BAAQMD and SIP 8-5-321.3 and applicable subparagraphs for metallic-shoe primary seal. Both tanks are currently equipped with resilient toroid seals (8-5-321.4). Metallic-shoe seal requirements added for flexibility to allow facility to change seal type in the future.
 - Added BAAQMD and SIP 8-5-320.5 and applicable subparagraphs for slotted guidepoles and sampling wells. This tank is currently equipped with solid guidepoles and sampling wells (8-5-320.4). Slotted guidepole and sampling well requirements added for flexibility to allow facility to remove solid guidepole sleeves in the future.
 - Editorial changes to remove “40 CFR”
 - 40 CFR, Part 60 Subpart Kb, incorporated Application 16898. Minor editorial changes in description of title
 - 40 CFR, Part 61 Subpart FF, incorporated Application 16898 (Title V) and consistent with Facility B2626 and A0901 applications for 60 Subpart FF changes. Valero (Facility B2626/A0901) operates the NuStar facility in conjunction with their Refinery (B2626) and Asphalt Plant (A0901) and manages compliance with 61 Subpart FF for the facilities as a single consolidated facility. Facility has no treatment units (61.348) and no controlled individual drains (61.346). Facility B5574 has no sour water stripper. Facility B5574 has no closed vent systems or control devices for compliance with 61 Subpart FF. Editorial changes in description column
 - 40 CFR, Part 63 Subpart CC, incorporated Application 16898 (Title V)

V. Schedule of Compliance

A schedule of compliance is required in all Title V permits pursuant to BAAQMD Regulation 2-6-409.10 which provides that a major facility review permit shall contain the following information and provisions:

“409.10 A schedule of compliance containing the following elements:

- 10.1 A statement that the facility shall continue to comply with all applicable requirements with which it is currently in compliance;
- 10.2 A statement that the facility shall meet all applicable requirements on a timely basis as requirements become effective during the permit term; and
- 10.3 If the facility is out of compliance with an applicable requirement at the time of issuance, revision, or reopening, the schedule of compliance shall contain a plan by which the facility will achieve compliance. The plan shall contain deadlines for each item in the plan. The schedule of compliance shall also contain a requirement for submission of progress reports by the facility at least every six months. The progress reports shall contain the dates by which each item in the plan was achieved and an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.”

Since the District has not determined that the facility is out of compliance with an applicable requirement, the schedule of compliance for this permit contains only sections 2-6-409.10.1 and 2-6-409.10.2.

The BAAQMD Compliance and Enforcement Division has conducted a review of compliance over the past year and has no records of compliance problems at this facility during the past year. The compliance report is contained in Appendix B of this permit evaluation and statement of basis.

VI. Permit Conditions

During the Title V permit development, the District has reviewed the existing permit conditions, deleted the obsolete conditions, and, as appropriate, revised the conditions for clarity and enforceability. Each permit condition is identified with a unique numerical identifier, up to five digits.

When necessary to meet Title V requirements, additional monitoring, recordkeeping, or reporting requirements have been added to the permit.

All changes to existing permit conditions are clearly shown in “strike-out/underline” format in the proposed permit. When the permit is issued, all “strike-out” language will be deleted and all “underline” language will be retained, subject to consideration of comments received.

The existing permit conditions are derived from previously issued District Authorities to Construct (A/C) or Permits to Operate (P/O). Permit conditions may also be imposed or revised as part of the annual review of the facility by the District pursuant to California Health and Safety Code (H&SC) § 42301(e), through a variance pursuant to H&SC § 42350 *et seq.*, an order of abatement pursuant to H&SC § 42450 *et seq.*, or as an administrative revision initiated by District staff. After issuance of the Title V permit, permit conditions will be revised using the procedures in Regulation 2, Rule 6, Major Facility Review.

Conditions that are obsolete or that have no regulatory basis have been deleted from the permit.

Conditions have also been deleted due to the following:

- Redundancy in recordkeeping requirements.
- Redundancy in other conditions, regulations and rules.
- The condition has been superseded by other regulations and rules.
- The equipment has been taken out of service or is exempt.
- The event has already occurred (i.e. initial or start-up source tests).

The regulatory basis is listed following each condition. The regulatory basis may be a rule or regulation. The District is also using the following terms for regulatory basis:

- BACT: This term is used for a condition imposed by the Air Pollution Control Officer (APCO) to ensure compliance with the Best Available Control Technology in Regulation 2-2-301.

- **Cumulative Increase:** This term is used for a condition imposed by the APCO that limits a source's operation to the operation described in the permit application pursuant to BAAQMD Regulation 2-1-403.
- **Offsets:** This term is used for a condition imposed by the APCO to ensure compliance with the use of offsets for the permitting of a source or with the banking of emissions from a source pursuant to Regulation 2, Rules 2 and 4.
- **PSD:** This term is used for a condition imposed by the APCO to ensure compliance with a Prevention of Significant Deterioration permit issued pursuant to Regulation 2, Rule 2.
- **TRMP:** This term is used for a condition imposed by the APCO to ensure compliance with limits that arise from the District's Toxic Risk Management Policy.

Changes to permit:

- **Condition 20762**
 - Removed "For Refinery".
 - Added part 2 and renumbered part 3
- **Condition 20820 (Facility B2626 VIP condition for Application 5846)**
 - Added all parts that reference Facility B5574 sources (Parts 27, 32, and 33)
 - Added Facility identifications to these parts to distinguish between Facility B2626 and Facility B5574 sources per VIP Amendment Application # 16937
- **Condition 21738**
 - Incorporated Application 16898 (Title V)
 - Facility owner change
 - Administrative change to Part 15.c
- **Condition 22333 – incorporated Application 16898**
 - Facility owner change

VII. Applicable Limits and Compliance Monitoring Requirements

This section of the permit is a summary of numerical limits and related monitoring requirements for each source. The summary includes a citation for each monitoring requirement, frequency of monitoring, and type of monitoring. The applicable requirements for monitoring are completely contained in Sections IV, Source-Specific Applicable Requirements, and VI, Permit Conditions, of the permit.

The District has reviewed all monitoring and has determined the existing monitoring is adequate

Changes to permit:

- A note has been added at the beginning of the section to clarify that this section is a summary of the limits and monitoring, and that in the case of a conflict between Sections I-VI and Section VII, the preceding sections take precedence.
- Made miscellaneous editorial revisions for clarification.
- Table VII-General
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Added Condition 20762 monitoring for tanks in exempt service (BAAQMD 8-5-117)
- Table VII-A
 - Renumbered; was Table VII-B
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - 40 CFR, Part 63 Subpart CC & 40 CFR, Part 60 Subpart Kb
 - Added header row and 40 CFR, Part 63 Subpart CC citations
 - Added monitoring requirement for 60.112b(a)(2)(ii)
 - Added Condition 21738 monitoring requirements
 - 40 CFR, Part 61 Subpart FF; updated per Application 16898 (Title V) with minor changes for consistency with Facility B2626 and A0901
- Table VII-B
 - Renumbered; was Table VII-J1
 - Consolidated with Table VII-J2; added S-58 (TK-1702)
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Condition 22333, added “Applicable to S-57 only” for clarification
- Table VII-J2: removed
- Table VII-C

- Renumbered; was Table VII-J3
- Table Title – administrative change to add detail
- Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
- Table VII-D
 - Renumbered; was Table VII-J4
 - Consolidated with Table VII-J6; added S-72 (TK-1720)
 - Table Title – administrative change to add detail
 - Changed S-68 and S-72 to Exempt status per Application 16882 (NSR)/16883 (Title V)
 - Regulation 8, Rule 5 and SIP Regulation 8 Rule 5; removed all monitoring requirements and added monitoring for 8-5-117 (low vapor pressure exemption); added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP for 8-5-117
 - 40 CFR, Part 63 Subpart CC; changed applicability from MACT Group 1 to MACT Group 2
 - 40 CFR, Part 63 Subpart G; removed all applicability – this regulation applies to MACT Group 1 tanks only
 - Condition 20762; added all parts
- Table VII-E
 - Renumbered; was Table VII-J5
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
- Table VII-J6: removed
- Table VII-F
 - Renumbered; was Table IV-J15
 - Table Title – administrative change to add detail
 - Regulation 8, Rule 5 and SIP Regulation 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
 - Condition 20762; added all parts
- Table IV-G
 - Renumbered; was Table IV-J33
 - Regulation 8, Rule 5 and SIP Regulation 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]

VIII. Test Methods

This section of the permit lists test methods that are associated with standards in District or other rules. It is included only for reference. In most cases, the test methods in the rules are source test methods that can be used to determine compliance but are not required on an ongoing basis. They are not “applicable requirements” as defined by Regulation 2-6-202.

If a rule or permit condition requires ongoing testing, the requirement will also appear in Section IV of the permit.

Changes to Section VIII:

- Regulation 8, Rule 5 and SIP 8, Rule 5; added 10/18/2006 version of BAAQMD regulation and 6/5/2003 version of SIP [Application 16898 (Title V) with minor changes]
- 40 CFR, Part 60 Subpart Kb, 60.112b(a)(3)(i); 60.112b(a)(3)(ii) – deleted test methods that refer to other parts of 40 CFR, Part 60 Subpart Kb and not to independent test methods
- 40 CFR, Part 61 Subpart FF – deleted non applicable test methods for Facility B5574 sources
- Editorial changes to descriptions

IX. Permit Shield:

The District rules allow two types of permit shields. The permit shield types are defined as follows: (1) A provision in a major facility review permit explaining that specific federally enforceable regulations and standards do not apply to a source or group of sources, or (2) A provision in a major facility review permit explaining that specific federally enforceable applicable requirements for monitoring, recordkeeping and/or reporting are subsumed because other applicable requirements for monitoring, recordkeeping, and reporting in the permit will assure compliance with all emission limits.

The second type of permit shield is allowed by EPA's "White Paper 2 for Improved Implementation of the Part 70 Operating Permits Program." The District uses the second type of permit shield for all streamlining of monitoring, recordkeeping, and reporting requirements in Title V permits. The District's program does not allow other types of streamlining in Title V permits.

This facility has the first type of permit shield.

Following is the detail of the permit shields that were requested by the applicant.

1. The following permit shields are disallowed:

None

2. The following permit shields are allowed:

**Table IX B - 1
Permit Shield for Subsumed Requirements
S1, S2, S4, AND S23, CRUDE STORAGE TANKS**

Subsumed Requirement Citation	Title or Description	Streamlined Requirements	Title or Description
NSPS Subpart Kb,40 CFR, Part 60.113b(b)(1)(i) and (ii)	Measurement of gaps between tank wall and primary and secondary seals at least once per 5 years and at least once per year, respectively.	BAAQMD Condition # 4240 21738 Part II.13	Quarterly inspection of primary and secondary tank seals <u>and fittings for S1, S2, S4, S23. Include all items required by BAAQMD 8-5 and 40 CFR, Part 60.113b(b).</u>
<u>BAAQMD 8-5-401.1</u>	<u>Primary and secondary seal gap measurements twice per calendar year at 4 to 8 month intervals or four times per calendar year at 2 to 4 month intervals for tanks subject to enhanced monitoring per 8-5-411.</u>	<u>BAAQMD Condition # 21738 Part II.13</u>	<u>Quarterly inspection of primary and secondary tank seals and fittings for S1, S2, S4, S23. Include all items required by BAAQMD 8-5 and 40 CFR, Part 60.113b(b).</u>
<u>BAAQMD 8-5-401.2</u>	<u>Tank fitting inspections twice per calendar year at 4 to 8 month intervals or four times per calendar year at 2 to 4 month intervals for tanks subject to enhanced monitoring per 8-5-411.</u>	<u>BAAQMD Condition # 21738 Part II.13</u>	<u>Quarterly inspection of primary and secondary tank seals and fittings for S1, S2, S4, S23. Include all items required by BAAQMD 8-5 and 40 CFR, Part 60.113b(b).</u>
<u>SIP 8-5-401.1</u>	<u>Primary and secondary seal gap measurements twice per calendar year at 4 to 8 month intervals</u>	<u>BAAQMD Condition # 21738 Part II.13</u>	<u>Quarterly inspection of primary and secondary tank seals and fittings for S1, S2, S4, S23. Include all items required by BAAQMD 8-5 and 40 CFR, Part 60.113b(b).</u>
<u>SIP 8-5-401.2</u>	<u>Tank fitting inspections twice per calendar year at 4 to 8 month intervals</u>	<u>BAAQMD Condition # 21738 Part II.13</u>	<u>Quarterly inspection of primary and secondary tank seals and fittings for S1, S2, S4, S23. Include all items required by BAAQMD 8-5 and 40 CFR, Part 60.113b(b).</u>

X. Glossary

Changes to Section X:

- The glossary was updated.

XI. Applicable State Implementation Plan

Changes to permit:

- This section has been deleted. The address for EPA's website is now found in Sections III and IV.

D. Alternate Operating Scenarios:

No alternate operating scenario has been requested for this facility.

E. Compliance Status:

An inter-office memorandum from the Director of Compliance and Enforcement, to the Director of Permit Services, presents a review of the compliance record of Site #: B5574. The Compliance and Enforcement Division staff has reviewed the records for NuStar Logistics, L.P. for the period between October 1, 2004 through September 30, 2009. This review was initiated as part of the District evaluation of an application by NuStar Logistics, L.P. for a Title V permit. The BAAQMD compliance report is provided in Appendix B below.

F. Differences between the Application and the Proposed Permit:

The Title V permit application was originally submitted on April 1, 2008. This version is the basis for constructing the proposed renewal Title V permit.

APPENDIX A

ENGINEERING EVALUATIONS

EVALUATION REPORT

NuStar Logistics, L.P.

Application #16882 - Plant #15574

3400 E. Second St.

Benicia, CA 94510

I. BACKGROUND

NuStar Logistics has applied for an exemption from Permit to Operate for the following equipment:

S-68 Gas Oil Storage Tank TK-1716, External Floating Roof, 8,820,000 gallons capacity

S-72 Gas Oil Storage Tank TK-1720, External Floating Roof, 15,204,000 gallons capacity

Sources S-68 and S-72 are currently permitted for organic liquid storage and shown in the facility's Title V permit as being subject to Regulation 8-5, NESHAP 40 CFR, Part 63 Subpart CC (Petroleum Refineries), and G (Refinery MACT). NuStar has historically paid the permit fees for these sources to provide operational flexibility even though they have always stored gas oil materials with an initial boiling point greater than 302 °F. NuStar and the tank operator, Valero Refining Company, do not plan to store materials other than exempt materials in these tanks in the future; therefore, Valero requested for tank exemptions from permit per Regulation 2-1-123.3.2. NuStar submitted two Material Safety Data Sheets for Gas Oil and Heavy Cycle Oil to show that the materials stored at these tanks have initial boiling points greater than 302 °F.

The District will grant exemptions for S-68 and S-72 per Regulation 2-1-123.3.2 for storing and loading of organic liquid with initial boiling point greater than 302 °F. NuStar Logistics submitted a minor modification to the TV permit concurrently under Application # 16883 to change these tanks from permitted sources to exempt sources.

In addition, Valero requested to keep the same, grandfathered throughput for the tank (S-67) that remains in permit. Historically, sources S-64, S-66, S-67, S-68 and S-72 shared a grandfathered throughput limit of 14.235 MMBBL/yr of gas oil as indicated in Table IIA of Valero's Title V permit. Valero now owned sources S-64 and S-66 and NuStar now owned sources S-67, S-68 and S-72. In 2004, the District issued a separate TV permit for NuStar and the original, grandfathered throughput was split to 8.03 MMBBL/yr as the throughput limit for tanks S-67, S-68 and S-72.

Now, sources S-64 and S-66 are given exemption for storing high boiling materials as described above. The only tank that remains in permit is S-67 (TK-1715). Since these tanks are grouped together and any of these tanks was allowed to store the maximum allowable throughput, the remaining permitted tank S-67 (TK-1715) is entitled to keep the same, grandfathered throughput limit of 8.03 MMBBL/yr. There is no change in operation for tank S-67 and there is no emission increase from this application.

II. EMISSION CALCULATIONS

This application will not result in an emission increase.

III. PLANT CUMULATIVE INCREASE SINCE 4/5/1991

There are no net changes to the plant cumulative emissions.

IV. TOXIC SCREENING ANALYSIS

This application will not result in an increase in toxic air contaminant emissions from existing levels. Therefore, a Toxic RSA is not required.

V. BEST AVAILABLE CONTROL TECHNOLOGY

This application will not result in any emission increase from existing levels. Therefore, BACT is not triggered per Regulation 2-2-301.

VI. OFFSETS

This application does not result in emission increases. Therefore, offsets are not needed per Regulation 2-2-302.

VII. STATEMENT OF COMPLIANCE

Sources S-68 and S-72 are exempt from the permit requirement under Regulation 2-1-123.2 for storing and loading of organic liquid with initial boiling point greater than 302 °F

This project is considered to be ministerial under the District's CEQA 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 4.

This project is over 1,000 ft from the nearest public school and is therefore not subject to the public notification requirements of Regulation 2-1-412.

NSPS, NESHAP, and PSD are not triggered.

VIII. EXEMPTIONS

It is recommended that an exemption be issued to NuStar Logistics for the following equipment:

- S-68 Gas Oil Storage Tank TK-1716, External Floating Roof, 8,820,000 gallons capacity**
- S-72 Gas Oil Storage Tank TK-1720, External Floating Roof, 15,204,000 gallons capacity**

(This project is exempt from the permit requirement under Regulation 2-1-123.3.2 for storing or loading of organic liquids or mixtures containing organic liquids; where the initial boiling point of the organics is greater than 302°F and exceeds the actual storage temperature by at least 180°F. This exemption does not apply to the storage or loading of asphalt or asphalt emulsion with a sulfur content equal to or greater than 0.5 wt%).

It is also recommended that the grandfathered throughput limit be corrected to 8.03 MMBBL/yr for S-67 tank (TK-1715) in Table IIA of NuStar TV permit.

Thu H. Bui
Senior Air Quality Engineer
Engineering Division
Date:

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EVALUATION REPORT
NuStar Logistics, L.P.
Application #16895 - Plant #15574

3400 E. Second St.
Benicia, CA 94510

I. BACKGROUND

NuStar Logistics has applied for a combined throughput condition from the Permit to Operate for the following groups of equipment:

- S-57 Crude Oil Storage Tank TK-1701, External Floating Roof, 6,300,000 gallons capacity**
- S-58 Crude Oil Storage Tank TK-1702, External Floating Roof, 18,900,000 gallons capacity**
- S-59 Crude Oil Storage Tank TK-1703, External Floating Roof, 18,900,000 gallons capacity**
- S-60 Crude Oil Storage Tank TK-1704, External Floating Roof, 6,300,000 gallons capacity**
- S-61 Crude Oil Storage Tank TK-1705, External Floating Roof, 18,900,000 gallons capacity**
- S-62 Crude Oil Storage Tank TK-1706, External Floating Roof, 18,900,000 gallons capacity**
- S-1047 Crude Oil Storage Tank TK-1706, External Floating Roof, 27,300,000 gallons capacity**
- S-1048 Crude Oil Storage Tank TK-1706, External Floating Roof, 27,300,000 gallons capacity**

And

- S-63 Gasoline Storage Tank (Tk-1711), External Floating Roof, 10,920,000 gallons capacity**
- S-73 Gasoline Storage Tank (Tk-1733), External Floating Roof, 5,880,000 gallons capacity**
- S-74 Gasoline Storage Tank (Tk-1734), External Floating Roof, 7,980,000 gallons capacity**
- S-75 Gasoline Storage Tank (Tk-1736), External Floating Roof, 3,360,000 gallons capacity**
- S-76 Gasoline Storage Tank (Tk-1737), External Floating Roof, 5,880,000 gallons capacity**

- S-78 Gasoline Storage Tank (Tk-1739), External Floating Roof, 6,804,000 gallons capacity**
- S-97 Storage Tank (Tk-1776), Jet Fuel, External Floating Roof, 4,620,000 gallons capacity**
- S-163 Gasoline Storage Tank (Tk-1732), External Floating Roof, 3,780,000 gallons capacity**

Sources S-57 through S-62 were original owned by Valero Refinery. In 2004, The District transferred the assets from Valero Refinery to Valero Logistic (currently NuStar Logistics), which includes tanks S-57 through S-62. On October 4, 2006, the District issued a separate TV permit for NuStar, and Table IIA listed the combined grandfathered throughput limit of 51.65 MMMBL/yr (141.5 KBBBL/day) for tanks S-57 through S-62. On July 31, 2003, the District issued the Authority to Construct to Valero Refinery for the Valero VIP (Application # 5846), which includes two new crude oil tanks S-1047 and S-1048 under Condition # 20820. Part 32 of Condition # 20820 limits the crude throughput of storage tanks S-57 through S-62, S-1047 and S-1048 to 62.6 MMBBL/yr (171.5 kBBL/day).

This application, NuStar requested to keep the combined throughput limit of 62.6 MMBBL/yr in their TV permit even though NuStar does not own tanks S-1047 and S-1048. Valero Refinery, the current owner of tanks S-1047 and S-1048, also concurs with this request by submitting a modification for their TV permit under application # 16840 because there has been an owner/operator relationship between NuStar and Valero. The combined throughput would allow Valero Refinery the flexibility to load crude oil into any available storage tank within the group of tanks without exceeding the limit. Both facilities would be responsible for operation, maintenance and recordkeeping for the group of eight crude oil tanks above.

The District will grant this request since Valero and NuStar both acknowledged that the new combine throughput put limit now becomes the new source limit that any exceedence of the throughput would result in enforcement action. The emission increase from adding the two new crude oil tanks (S-1047 and S-1048) was calculated in the Valero VIP Application # 5846. The emission offsets for two crude tanks has been addressed in the Valero VIP application already.

Similarly, NuStar requested to keep the same, combined grandfathered throughput for the gasoline tank (S-74) that was transferred to NuStar. Historically, sources S-63, S-73, S-74, S-75, S-76, S-78, S-97 and S-163 shared a grandfathered throughput limit of 62.8 MMBBL/yr of gasoline and other fuels as indicated in Table IIA of Valero's Title V permit. Valero now owns sources S-63, S-73, S-75, S-76, S-78, S-97 and S-163, and NuStar now owns source S-74. In 2006, the District issued a separate TV permit for NuStar and the original grandfathered throughput was split to 14.8 MMBBL/yr as the throughput limit for tank S-74. Since Valero operates and maintains the operation of tank S-74 along with tanks (S-63, S-73, S-75, S-76, S-78, S-97 and S-163), the combined throughput would allow Valero the flexibility to load gasoline and other fuels into any storage tank when available, and would ease the recordkeeping requirement. There is no

change in operation for tank S-74 and there is no emission increase from this re-combined throughput request.

The District will incorporate these changes into Valero and NuStar's TV permits during their renewal period.

II. EMISSION CALCULATIONS

This application will not result in an emission increase.

III. PLANT CUMULATIVE INCREASE SINCE 4/5/1991

There are no net changes to the plant cumulative emissions.

IV. TOXIC SCREENING ANALYSIS

This application will not result in an increase in toxic air contaminant emissions from existing levels. Therefore, a Toxic RSA is not required.

V. BEST AVAILABLE CONTROL TECHNOLOGY

This application will not result in any emission increase from existing levels. Therefore, BACT is not triggered per Regulation 2-2-301.

VI. OFFSETS

Offsets were provided by the onsite Contemporaneous Emission Reduction per Regulation 2-2-302 in the VIP Application # 5846.

VII. STATEMENT OF COMPLIANCE

All sources of this application are subject and expected to comply with Regulation 8, Rule 5-301 for Storage Tank Control Requirement and 5-304 External Floating Roof requirements.

All sources of this application are subject and expected to comply with Regulation 10 - Standard of Performance for New Stationary, 40 CFR, Part 60, Subpart Kb - Volatile Organic Liquid Storage Vessels. The internal floating roof will be equipped with either a liquid or mechanical shoe primary and rim mounted secondary seals.

All sources of this application are subject and expected to comply with NESHAP 40 CFR, Part 63, Subpart G – SOCOMI HON and NESHAP 40 CFR, Part 63, Subpart CC for Petroleum Refineries.

This project is considered to be ministerial under the District's CEQA 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 4.

This project is over 1,000 ft from the nearest public school and is therefore not subject to the public notification requirements of Regulation 2-1-412.

NSPS, NESHAP, and PSD are not triggered.

VIII. RECOMMENDATIONS

It is recommended that the administrative change be incorporated into NuStar's Title V permit for the following groups of equipment:

S-57 Crude Oil Storage Tank TK-1701, External Floating Roof, 6,300,000 gallons capacity

S-58 Crude Oil Storage Tank TK-1702, External Floating Roof, 18,900,000 gallons capacity

S-59 Crude Oil Storage Tank TK-1703, External Floating Roof, 18,900,000 gallons capacity

S-60 Crude Oil Storage Tank TK-1704, External Floating Roof, 6,300,000 gallons capacity

S-61 Crude Oil Storage Tank TK-1705, External Floating Roof, 18,900,000 gallons capacity

S-62 Crude Oil Storage Tank TK-1706, External Floating Roof, 18,900,000 gallons capacity

S-1047 Crude Oil Storage Tank TK-1706, External Floating Roof, 27,300,000 gallons capacity

S-1048 Crude Oil Storage Tank TK-1706, External Floating Roof, 27,300,000 gallons capacity

And

S-63 Gasoline Storage Tank (Tk-1711), External Floating Roof, 10,920,000 gallons capacity

S-73 Gasoline Storage Tank (Tk-1733), External Floating Roof, 5,880,000 gallons capacity

S-74 Gasoline Storage Tank (Tk-1734), External Floating Roof, 7,980,000 gallons capacity

S-75 Gasoline Storage Tank (Tk-1736), External Floating Roof, 3,360,000 gallons capacity

- S-76 Gasoline Storage Tank (Tk-1737), External Floating Roof, 5,880,000 gallons capacity**
- S-78 Gasoline Storage Tank (Tk-1739), External Floating Roof, 6,804,000 gallons capacity**
- S-97 Storage Tank (Tk-1776), Jet Fuel, External Floating Roof, 4,620,000 gallons capacity**
- S-163 Gasoline Storage Tank (Tk-1732), External Floating Roof, 3,780,000 gallons capacity**

Thu H. Bui
Senior Air Quality Engineer
Engineering Division

Date:

THB:F:\Nustar\16895\16895e\3/21/08

APPENDIX B
COMPLIANCE REVIEW

COMPLIANCE & ENFORCEMENT DIVISION

Inter-Office Memorandum

December 16, 2009

TO: BRIAN BATEMAN – DIRECTOR OF ENGINEERING *BB*

FROM: KELLY WEE – DIRECTOR OF ENFORCEMENT *K. Wee 12/18/09*

SUBJECT: REVIEW OF COMPLIANCE RECORD OF:

NUSTAR LOGISTICS L.P. – SITE# B5574

Background

This review was initiated as part of the District evaluation of an application by NUSTAR LOGISTICS L.P. for a Title V Permit Renewal. It is standard practice of the Compliance and Enforcement Division to undertake a compliance record review in advance of a renewal of a Title V Permit to Operate. The purpose of this review is to assure that any non-compliance problems identified during the prior five-year permit term have been adequately addressed, or, if non-compliance persists, that a schedule of compliance is properly incorporated into the Title V permit compliance schedule. In addition, the review checks for patterns of recurring violation that may be addressed by additional permit terms. Finally, the review is intended to recommend, if necessary, any additional permit conditions and limitations to improve compliance.

Compliance Review

Staff reviewed NUSTARLOGISTICS L.P. Annual Compliance Certifications for 10/01/04 to 9/30/09 and found no ongoing non-compliance and no recurring pattern of violations.

Staff also reviewed the District compliance records for NUSTAR LOGISTICS L.P. FACILITY for 10/01/08 through 09/30/09. During this period there were no Notice of Violations issued.

The District did not receive any air pollution complaints alleging NUSTAR LOGISTICS L.P. as the source.

The District did not receive any notifications for Reportable Compliance Activities (RCA).

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The District received one (1) docket for variances and permit appeals, before the District's Hearing Board.

- Docket # 3473 was filed for variance of permit conditions. This variance was withdrawn by NuStar Logistics, L.P.

There are no enforcement agreements, open variances, or open abatement orders for NUSTAR LOGISTICS L.P.

Conclusion

The Compliance and Enforcement Division has made a determination that for the five year period NUSTAR LOGISTICS L.P. was in intermittent compliance. There is no evidence of on-going non-compliance and no recurring pattern of violations that would warrant consideration of a Title V permit compliance schedule.

JGG: TDH 12-15-09