July 22, 2011

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

Dear Ms. Jordan:

This is to inform you that the District is formally proposing the renewal Major Facility Review permit for the facility listed below to EPA for their 45-day review period:

<table>
<thead>
<tr>
<th>Facility #</th>
<th>Facility Name</th>
<th>Address, City</th>
<th>Type of Operation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A0011</td>
<td>Shell Martinez Refinery</td>
<td>3485 Pacheco Blvd. Martinez, CA 94553</td>
<td>Petroleum Refinery</td>
</tr>
</tbody>
</table>

The District has made a preliminary decision to issue the renewal Major Facility Review Permit, but the final decision on the permit issuance will consider public and EPA comments on the proposed permit.

The District published a notice inviting written public comment on the draft renewal Major Facility Review permit on October 13, 2010 in the Contra Costa Times newspaper. The comment period ended on November 15, 2010. No comments were received from the public and the EPA. The facility submitted 5 comments. In response to Shell’s comments, the District made the following changes to the permit and the statement of basis:

- Added the non-SIP approved version of Regulation 9-9-603 as an applicable requirement in Table IV-CV (S-4190 & S-4192) in the permit.
- Amended the incorrect “Regulation Title or Description of Requirement” to the non-SIP approved version of Regulation 9-9-501 in the permit.
- Deleted the incorrect averaging period of “1-hour” from the Regulation 9, Rule 9 discussion under “Changes to the renewal permit stemming from BAAQMD regulations” in the statement of basis.
- Replaced the averaging period from “1-hour average” to “3-hour average” in order to demonstrate compliance with the non-SIP version of Regulation 9-9-301.2 and SIP version of Regulation 9-9-301.3 in Table VII-CG (S-4190 & S-4192) in the permit.
- Deleted the inadvertent addition to continuously monitor the concentration of H2S via a H2S analyzer to demonstrate compliance with the NSPS J 60.104(a)(1) 162 ppm H2S limit in Tables VII- AO (A-101 & A-102), AOb (A-103), BO (S-1471 & S-1472), BJ (S-1772), and CI (S-4201) in the permit.
- Changed the “Monitoring Frequency” in Tables VII- AO (A-101 & A-102), AOb (A-103), BO (S-1471 & S-1472), BJ (S-1772), and CI (S-4201) from “C” to “P/E” in the permit.
- Changed the “Monitoring Type” in Tables VII- AO (A-101 & A-102), AOb (A-103), BO (S-1471 & S-1472), BJ (S-1772), and CI (S-4201) from “H2S Analyzer” to “Monitoring of flare gas composition and records” in the permit.
- Deleted the 40 CFR Part 98 “Mandatory Greenhouse Gas Reporting” applicable requirements from Table IV-DV (Facility) in the permit.
- Deleted § 60.18 from Tables IV-AX & VII-AO (A-101 and A-102), Tables IV-AXd & VII-AOb (S-1471), Tables IV-BX & VII-BJ (S-1772), and Tables VII-AN (S-1470), VII-AOC (S-1471), & VII-BI (S-1471) in the permit.
Revised the “Applicability of NSPS Subpart A 60.18 and NESHAP Subpart A 63.11 to Refinery Flares” in the statement of basis.

The initial Title V permit for this facility was issued on December 1, 2003. Details of the previous revisions can be found in Section X of the permit “Revision History”. All changes to the most recent version of the permit are clearly shown in strikeout/underline format.

The proposed permit, statement of basis and Shell’s comments can be viewed on the BAAQMD website at: http://www.baaqmd.gov/Divisions/Engineering/Title-V-Permit-Programs/Title-V-Permits.aspx. We will also send the documents to you via the electronic permit submittal system. If you have any questions regarding this project, please call Dennis T. Jang, Senior Air Quality Engineer, at (415) 749-4707.

Very truly yours,

Signed by Jeff McKay for Jack P. Broadbent
Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

JB:BFB:myl