



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
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July 29, 2014

Mr. Alan Seese
Environmental Manager
Tesoro Refining & Marketing Co. LLC
P.O. Box 6210
Carson, CA 90749-6210

SUBJECT: Revised Title V Facility Permit for Tesoro Refining and Marketing Company,
Wilmington Refinery (Facility ID #800436)

Dear Mr. Seese:

Please find attached the version of your Facility Permit for Tesoro Refinery located at 2101 East Pacific Coast Hwy, Wilmington. The attached revision includes the following sections:

- Title page (Revision #37)
- Table of contents (Revision #37)
- Section B (Revision #14)
- Section H (Revision #21)
- Section D (Revision #22)
- Section I (Revision #7)

The Facility Permit reflects the inclusion of the following administrative changes and applications approved for permits:

Section B:Administrative Revision

Section B of your facility permit is being reissued as explained below:

On May 2, 2008, the South Coast Air Quality Management District (SCAQMD) issued your facility a Clean Fuels Plan (A/N 474582) pursuant to Rule 2002(c)(12). Under the approved Plan, the facility's annual allocations was increased by 19,843 pounds of NOx for Compliance Years 2000 and forward which is equal to the calculated emission increases expected from the modifications required solely to comply with the state or federal reformulated gasoline requirements at this refinery.

As a result of the amendment to Rule 2002 in January 2005 to further reduce RECLAIM NOx Allocations, the NOx historical baseline Clean Fuel Adjustments for Compliance Year 2007 and subsequent years were reduced by the appropriate adjustment factors as stated in Rule 2002(f)(1)(A). For Compliance Year 2013, Tesoro's NOx RTCs issued pursuant to Rule 2002(c)(12) was reduced from 19,843 pounds to 15,378 pounds.

Based on the data you provided in your facility's Compliance Year 2013 APEP report, SCAQMD determined, using the equations in your approved Clean Fuels Plan, the total actual NOx emission increase eligible for Clean Fuel Adjustment to be 15,011 pounds. Pursuant to Rule 2002(c)(12) and the approved plan, your facility's Compliance Year 2013 NOx Allocation is hereby decreased by 367 pounds (15,011 lbs. – 15,378 lbs.).

In accordance to the conditions of your approved Plan, your Allocations for Compliance Year 2013 after these adjustments will be used to determine compliance with Rule 2004(d) – Prohibition of Emissions in Excess of Annual Allocation.

Additionally, our review of your APEP report also found errors in the entries for "Allocation Adjustments Previously Issued" and "Adjustments to be Made" in Section VIII. The value for "Allocation Adjustments Previously Issued" should be 19,843 but was entered as 15,914 pounds. For "Adjustments to be Made", the value should be a decrease of 4,832 pounds but the entered value was a decrease of 903 pounds. Please take note of these discrepancies and take appropriate steps to ensure that the APEP report is properly completed in the future.

Finally, the enclosed Revision #14 of your Facility Permit Section B is issued to reflect these Clean Fuels allocation adjustments prior to determining compliance with your Allocations. Please review the attached Section B carefully. Insert the enclosed Section B into your Facility Permit and discard the earlier version. Questions concerning these changes to your permit should be directed to Mr. Sandys Thomas at (909) 396-3162.

Section H, Permit-to- Construct (P/C)—De Minimis Significant Revision

A/N	Equipment	Device ID	Process	System	Permit Action
553835	Two-position propane truck loading	D1726	14	2	Modification to the Propane truck loading to install mercaptan conversion bed (Vessel V-829).

Section D, Permit-to- Construct & Operate —De Minimis Significant Revision

A/N	Equipment	Device ID	Process	System	Permit Action
559086	Fixed roof tank 107	D1500	15	1	Change of condition of storage tank 107 to increase the monthly throughput limit of the stripped sour water from 2.4 mmbbls/yr to 3.5 mmbbls/yr.

Section I: Minor Revision

The permit application for this Minor Revision is described below:

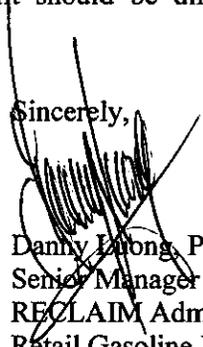
A/N	Equipment	Device ID	Process	System	Permit Action
559295	Rule 463 Compliance Plan	N/A	N/A	N/A	Approval of Rule 463 Organic Liquid Storage Inspection & Maintenance Plan

A draft permit was issued for EPA's 45-day review on April 11, 2014 for Rule 463 plan and March 28, 2014 for Tank 107 and propane truck loading. No comment was received from EPA.

After a review of the draft permit, it was determined that the two-position propane truck loading was omitted in condition S18.6 of the flare gas recovery system (Process 21, System 4). This condition was updated. Since this change is considered administrative, public notification or EPA review is not required.

This Title V permit revision is covered under applications A/Ns 553831&559085. Please review the attached sections carefully. Insert the enclosed sections into your Title V Facility Permit and discard the earlier version. Questions concerning changes to your permit should be directed to Ms. Sawsan Andrawis at (909) 396-2607.

Sincerely,



Danny E. Long, P.E.
Senior Manager
RECLAIM Admin., Refinery Permitting,
Retail Gasoline Dispensing

Attachments

cc: Gerardo C. Rios, U.S. EPA (via email to R9AirPermits_SC@epa.gov)
Edwin Pupka, Compliance, SCAQMD
Application Files & Central Permit File