

December 1, 2003

Dana Dean and Marilyn Bardet  
Good Neighbor Steering Committee  
c/o Dana Dean, Attorney-at-Law  
2044 Columbus Parkway  
Benicia, CA 94510

Dear Ms. Dean and Ms. Bardet:

Thank you for your comments on the Valero Asphalt Plant initial Title V permit dated August 11, 2003.

A number of comments and questions were submitted. This letter will attempt to summarize the comments and respond to them in the order presented.

Comment 1:

The permit does not adequately address the problem of monitoring fugitive emissions from pressure relief devices. The comments submitted by Citizens for a Better Environment (CBE) are quoted extensively.

Response to Comment 1:

The District recently (in 1998) reviewed monitoring for this source category during rulemaking for Regulation 8, Rule 28. Based upon this recent review, the District believes the monitoring requirements are adequate. All of the suggestions offered on the draft refinery permits were made, considered, and rejected for technical, cost-related, or other reasons, during the rule development process. It has proven difficult to devise monitoring of pressure relief valves in a way that yields meaningful compliance data at a reasonable cost. The District is, however, currently reviewing this rule, including monitoring requirements, as part of its attainment planning process. The rule development process is the appropriate forum for discussion of this issue and may allow for evaluation of concepts and information that were not presented in the context of the 1998 rulemaking or these Title V permits. If the rule changes, the permit will be amended to match.

It should be noted that recent amendments to Regulation 8, Rule 5, Storage of Organic Liquids, now require inspections of pressure relief valves at fixed roof tanks twice per year.

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Comment 2:

The permit does not include a method of estimating or monitoring for fugitive emissions for material used as feedstock at the plant. The magnitude of this omission is painfully clear after the recent styrene fires discussed below.

Response to Comment 2:

The main feedstock to the plant is crude oil. There are some additives that are mixed into the finished product, such as granulated rubber, solid sulfur, and styrene pellets, but these are not generally significant sources of emissions. An accidental fire is an exception. The monitoring for the crude oil components is contained in Regulation 8, Rule 18, Equipment Leaks. All components are inspected on a schedule that can vary from quarterly to annually. These detailed requirements are in Regulation 8-18-400 and are cited in the "Components" tables in Sections IV and VII of the permit. Therefore, there is adequate monitoring for fugitive emissions.

To estimate emissions, the facility uses emission factors for each type of source and limit using a procedure developed by EPA and reviewed and accepted by California air pollution control agencies. These estimated daily emissions are submitted to the District every year. In Valero Asphalt's case, it is estimated that 56 lbs/day of organic compounds are emitted from various fugitive sources.

Comment 3:

There is no way to correlate process emission limits with total permitted emissions. An example of this is on page 165 where it states "an applicable emission limit for a process is 98.7% vapors by weight". How is this supposed to be verified? There is no mention of monitoring or control systems that currently are in place to perform verification. The permit apparently allows the refinery to increase throughput at will, as long as 98.7% of the vapors are captured.

Response to Comment 3:

The language quoted does not appear in the Valero Asphalt proposed permit. It may have been a comment intended for another permit.

Comment 4:

There is no specification of the composition of the material processed (see page 165). Thus a process change can occur without the public having any access to knowledge of the change. Monitoring and recording of composition should be required so that interested parties can better understand expected emissions level and better evaluate the facility's performance.

Response to Comment 4:

The language quoted does not appear in the Valero Asphalt proposed permit. It may have been a comment intended for another permit.

Comment 5:

The facility is required to perform NOX and CO abatement. But these strategies may increase the emission of other gases such as SO2. Nothing addresses this concern.

Response to Comment 5:

This question raises an issue beyond the scope of Title V. Title V documents existing requirements. Process changes that may affect emissions are evaluated by preconstruction permit review.

Comment 6:

The permit does not give a basis for emission limits. The permit should include an analysis of how this facility compares to other facilities that perform the same task in order for the public to have a clear picture of the facility's emissions record.

Response to Comment 6:

There is no regulatory mandate to perform such an analysis.

Emission limits are based upon past permit evaluations and limits imposed by regulations. Anyone interested in learning about the origins of existing applicable requirements is encouraged to review these documents. This discussion, however, is beyond the scope of Title V permitting.

Comment 7:

In situations like that of the June 25<sup>th</sup> fire, the Air District should be monitoring for the kind of contaminants that result from such an incident as noted above, or under the Title V permit the District should require the facility to do so and report the results.

Comment 8:

The District should have used modeling to determine the amount of formaldehyde emitted by the styrene fire of June 25<sup>th</sup>, the direction of the plume, and the impact on receptors.

Response to Comments 7 and 8:

These comments concern issues beyond the scope of Title V permitting. The styrene fire was an unusual and short-lived event. The proper preventative measures are within the Fire Chief's jurisdiction. It is impossible to tell what type of monitors might be useful in another unrelated event. Furthermore, no requirement for such monitoring currently exists. The Title V permit only documents existing requirements, and allows only new monitoring necessary to assure compliance with those requirements. The suggested monitoring does not fall into either category. Therefore, the permit has not been amended to include monitoring for other events of this sort.

For facilities that do store large amounts of hazardous materials, there is an "accidental release" or risk management program in the federal regulations under 40 CFR 68. Since Valero Asphalt does not store large amounts of materials that are generally considered hazardous, it is not subject to the program.

The District has decided to issue the permit. Thank you again for your comments. We hope that some of the information that we have provided in this letter clarifies some of the issues for you.

If you have any other questions about the permit, please call Brenda Cabral, Senior Air Quality Engineer, at (415) 749-4686.

Sincerely yours,

Steve Hill  
Acting Director of Engineering