

FACILITY PERMIT TO OPERATE TESORO LOGISTICS, EAST HYNES TERMINAL

SECTION I: PLANS AND SCHEDULES

This section lists all plans approved by AQMD for the purposes of meeting the requirements of applicable AQMD rules specified below. The operator shall comply with all conditions specified in the approval of these plans.

Documents pertaining to the plan applications listed below are available for public review at AQMD Headquarters. Any changes to plan applications will require permit modification in accordance with Title V permit revision procedures.

List of approved plans:

Application	Rule
552671	463

NOTE: This section does not list compliance schedules pursuant to the requirements of Regulation XXX - Title V Permits; Rule 3004(a)(10)(C). For equipment subject to a variance, order for abatement, or alternative operating condition granted pursuant to Rule 518.2, equipment specific conditions are added to the equipment in Section D or H of the permit.

RULE 463 Inspection and Maintenance Plan Approval
FACILITY ID 174704 – Tesoro Logistics, East Hynes Terminal

LEGAL OWNER OR OPERATOR: Tesoro Logistics, East Hynes Terminal
FACILITY LOCATION: 5905 Paramount Blvd., Long Beach, CA 90805
MAILING ADDRESS: Same

ADMINISTRATIVE REQUIREMENTS:

This facility shall be subject to the terms and conditions of this plan unless this plan is suspended, revoked, modified, reissued or denied. Failure to maintain a valid plan is a violation of Rule 463.

It is the responsibility of the facility to comply with other District Rules and Regulations and with all laws, ordinances and regulation of other government agencies which are applicable to the operation of the equipment.

This plan does not authorize the emission of air contaminants in excess of those allowed by Division 26 of the Health and Safety Code or the Rules and Regulations of the AQMD. This plan cannot be considered as permission to violate existing laws, ordinances, regulations, or statutes of other governmental agencies.

RULE 463 EQUIPMENT:

Floating Roof Tanks as listed in the submitted plan.

CONDITIONS:

1. The operator shall conduct the operation of the storage equipment in compliance with all data and specifications submitted with the plan application under which this approval is granted.
2. Floating Roof Tank seals shall be properly installed and continuously maintained in good operating condition.

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**SCAQMD RULE 463 INSPECTION AND MAINTENANCE PLAN
FOR
TESORO LOGISTICS OPERATIONS LLC
EAST HYNES/WEST HYNES TERMINAL
LONG BEACH, CALIFORNIA**

Submitted to:

South Coast Air Quality Management District
21865 E. Copley Drive
Diamond Bar, California 91765

Prepared by:

TESORO LOGISTICS OPERATIONS LLC
Environmental Department
5905 Paramount Boulevard
Long Beach, CA 90805

January 2014

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List of Acronyms

CFR	Code of Federal Regulations
H&S	Health and Safety
OSHA	Occupational Safety and Health Administration
PPE	personal protective equipment
SCAQMD	South Coast Air Quality Management District
TIMP	Tank Inspection and Maintenance Plan
VOC	Volatile Organic Compounds

1.0 Introduction

The South Coast Air Quality Management District (SCAQMD) has developed Rule 463¹ – Organic Liquid Storage, to regulate volatile organic compounds (VOC) emissions from storage tanks. This rule places specific standards for storage tank components, especially roofs and seals; tank emptying / cleaning / repair, degassing, roof re-floating operations; tank emissions; and temporary tanks. Other requirements are also specified such as record keeping, reporting, and agency notifications. In addition, this rule requires submittal of a Tank Inspection and Maintenance Plan (TIMP) for procedures to inspect and maintain compliance with the standards for storage tanks per Rule 463.

1.1 Statement of Objectives

This TIMP is written to fulfill the requirements of the SCAQMD Rule 463. The purpose of the TIMP is to ensure that Tesoro Logistics Operations LLC (TLO), East Hynes/West Hynes Terminal operators maintain their storage tanks and associated air pollution control equipment at the East Hynes/West Hynes Terminal, in a manner consistent with good air pollution control practices. The TIMP also ensures that East Hynes/West Hynes Terminal operators are prepared to correct defects within the allowable time after their occurrence in order to minimize excess emissions of VOC to the atmosphere. This TIMP includes the following:

- Description of procedures for inspecting and maintaining storage tanks subject to this rule, including TLO's proposed self-inspection/auditing procedures in addition to the required inspection by SCAQMD;
- An inventory list of storage tanks subject to Rule 463;
- Proposed self-inspection and auditing schedules;
- Number of certified personnel dedicated to the program; and
- Health and safety procedures for entering on top of tanks for inspection and maintenance.

This TIMP is developed for East Hynes/West Hynes Terminal personnel and/or contractors to conduct semi-annual inspections of storage tanks at the East Hynes/West Hynes Terminal.

¹ SCAQMD Rule 463 – Organic Liquid Storage. Last Amended November 4, 2011.

1.2 Report and Notification Contacts

The facility Inspection and Maintenance Plan, its revision, and all reports required to be submitted to the SCAQMD, must be addressed as follows:

Executive Officer
South Coast Air Quality Management District
21865 E. Copley Drive
Diamond Bar, California 91765

Telephone: (909) 396-2000

Submit copies of all correspondence with SCAQMD to:

Senior Environmental Specialist
5905 Paramount Boulevard
Long Beach, California 90805
Attn: Mr. Stephen D. Comley

Telephone: (562) 728-2265
Fax: (562) 728-2760

1.3 Tank Inspection and Maintenance Plan Organization

This TIMP is organized as follows:

- Section 1.0 presents the introduction;
- Section 2.0 provides specifics of our tank inspection and maintenance plan; and
- Section 3.0 provides a listing of TLO's health and safety procedures and a summary of personal protective equipment (PPE) required for tank seal inspections; and
- A list of H&S procedures for Rule 463 TIMP requirements located within the *Tesoro Logistics Safety Manual*.

2.0 Tank Inspection and Maintenance Plan

The following sections address the requirements for the TIMP as specified in SCAQMD Rule 463.

2.1 General Facility and Process Descriptions

East Hynes/West Hynes Terminal (SIC 5171) is located at 5905 Paramount Boulevard, Long Beach, California. The facility can store crude oil, diesel, jet fuel, other intermediates, and gasoline blending components such as naphtha, alkylate, CARBOB, and ethanol. The tank farm at the East Hynes/West Hynes Terminal consists of external floating roof tanks and domed internal floating roof for organic liquid storage; therefore, all of these tanks are subject to Rule 463. There are also fixed roof tanks, storing organic liquids, connected to a vapor recovery system.

2.2 Inventory of Floating Roof Tanks

Tank regulation, SCAQMD Rule 463, determines which products can be stored in which tank types. The criteria are as follows:

- Generally, products with a true vapor pressure less than 0.5 psia may be stored in any tank.
- Products with a true vapor pressure greater than 0.5 psia but less than 11 psia can be stored in either a fixed roof tank with an operating vapor recovery system or a floating roof tank with dual tank seals.
- Products with a true vapor pressure of 11 psia or above may not be stored in a floating roof tank. This material may be stored in either a fixed roof tank with vapor recovery with at least 95 percent by weight VOC recovery, or in a pressure vessel.
- Individual tank permits may limit the type of product that may be stored in a particular tank; therefore it is crucial that the permit conditions for each tank be evaluated prior to filling.

Table 2-1 presents a list of floating roof tanks that fall under one or more of the above criteria; therefore, are subject to the requirements of Rule 463.

Table 2-1. Inventory of Floating Roof Tanks Subject to SCAQMD Rule 463 at the East Hynes Terminal

Permit ID	Capacity (BBL)	Product (*) Out of Service (OOS)	Tank ID	Shell Type Welded (W) Riveted (R)	Tank Dimensions		Seal Type		Floating Roof Type Double Deck (DD) Pontoon (P)	Tank In-Service Date
					Diameter (ft)	Height (ft)	Primary Class	Secondary Class		
G28133	131,117	Crude Oil	605 (located at 5900 Cherry Avenue)	R	144'-0"	47'-0"	Vapor Mounted Wiper	Wiper	P	1936
G28138	130,000	Crude Oil	606 (located at 5900 Cherry Avenue)	R	144'-0"	47'-0"	Shoe	Approved Sec	P	1936
G28136	43,000	Crude Oil	712	R	95'-0"	37'-0"	Shoe	Finger Wiper	DD	1930
G28137	70,000	Crude Oil	713	R	115'-0"	41'-0"	Shoe	Finger Wiper	DD	1930
G28131	130,000	Light Products	714	R	144'-4"	47'-0"	Shoe	Wiper	DD	1928
G28134	130,000	Light Products	715	R	144'-4"	47'-0"	Shoe	Wiper	DD	1928
G28116	130,000	Light Products	716	R	144'-4"	47'-0"	Shoe	Wiper	DD	1929
G28126	122,000	Light Products	731	R	152'-4"	41'-0"	Vapor Mounted	Wiper	P	1927
G28127	122,000	Light Products	732	R	152'-4"	41'-0"	Vapor Mounted	Wiper	P	1927
G28128	130,000	Light Products	733	R	144'-4"	47'-0"	Vapor Mounted	Wiper	P	1928
G28139	122,000	Crude Oil	734	R	152'-4"	41'-0"	Shoe	Finger Wiper	Double Deck	1927
G28140	122,000	Crude Oil	735	R	152'-4"	41'-0"	Shoe	Finger Wiper	Double Deck	1927
G28132	130,000	Crude Oil	736	R	144'-0"	47'-0"	Shoe	Approved Sec	P	1927
G28135	110,000	Ethanol	798	R	146'-6"	41'-0"	Shoe	Wiper	DD	1954

* Products can vary from this inventory.
W = Welded Construction
R = Riveted Construction

2.3 Inspection Requirements and Schedules

In general, the floating roof tanks subject to Rule 463 will be regularly inspected to assure that they meet tank seal specifications with their permit conditions and/or Rule 463 requirements. In addition, tank shell and roof integrity, unsealed roof legs, open hatches, open emergency roof drains or vacuum breakers, and tears in the primary and secondary seals will be inspected and recorded. The vapor space LEL for internal floating roof tanks will also be monitored and recorded.

2.3.1 Self-Inspection

SCAQMD Rule 463 calls out a specific self-inspection interval for tanks covered by the rule. At the East Hynes/West Hynes Terminal, the external and internal floating roof tanks subject to this rule will be inspected twice a year at approximately six-month intervals, but at intervals not less than four months apart by a SCAQMD certified inspector as set forth in Rule 463. Each tank will also require an inspection when it is emptied and degassed or after it is returned to service. Table 2-3 presents Rule 463 semi-annual tank seal inspections schedule.

To lend further assurance to TLO's semi-annual self-inspection program under Rule 463, TLO will implement the following steps:

1) Initial Inspections:

The certified inspector will perform tank seal inspections for all applicable tanks under Rule 463 at the East Hynes/West Hynes Terminal. This step will focus on the initial inspection of the tank condition and the initial inspection report that will be issued to the contract repair organization and the SCAQMD. The tanks will be inspected according to Rule 463 to assure that they meet tank seal specifications, including tank shell and roof integrity, unsealed roof legs, guide poles, open hatches, open emergency roof drains or vacuum breakers etc., and tears or holes in the primary and secondary seals are recorded. TLO certified inspector will generate an inspection report detailing the any gaps and any defects after each inspection.

2) Repairs:

Once the initial inspection has been completed, the contract repair organization (TLO's contractor) will repair or replace any components such as seals, valves, vents, gaskets, socks, hatches, covers of roof openings, etc. that are found to be defective or have gaps that do not meet the requirements of Rule 463 within 72 hours after an inspection or before refilling an emptied and degassed tank. The contract repair organization will complete detailed logs of all repairs made and forward copies to the East Hynes/West Hynes Terminal Tank Inspection Team Coordinator for verification, signature and recordkeeping.

Table 2-3. Rule 463 Semi-Annual Tank Seal Inspections Schedule

Tank No.	AQMD Permit ID	Inspection Frequency ^a	
		Month	Month
605	G28133	April	October
606	G28138	April	October
712	G28136	April	October
713	G28137	April	October
714	G28131	April	October
715	G28134	April	October
716	G28116	April	October
731	G28126	April	October
732	G28127	April	October
733	G28128	April	October
734	G28139	April	October
735	G28140	April	October
736	G28132	April	October
798	G28135	April	October

^a Note: The proposed inspection schedule may fluctuate as much as two months ahead of schedule or up two months late, depending on the availability of each tank for inspection. However, it is TLO's intention to meet Rule 463 inspection frequency under 463 (e)(3)(A), which is to inspect all tanks twice per year at 4 to 8 months intervals.

3) **Post Inspections:**

A TLO certified inspector will perform post inspection of each tank. This is to ensure that all Rule 463 repairs have been completed for each tank before it can be compliance certified. This step will focus on the final inspection, final inspection reporting, and quality of repair (if any). In general, the tanks will be re-inspected according to Rule 463, only in areas where defects were found to assure that the repairs were made, as well as to check the quality of each repair. The inspector will conduct a field check of all items listed in the detailed repair logs provided by the contract repair organization and sign-off to attest that these items have been repaired. Upon completion of the post inspection, the contracted certified inspector will generate a post inspection report certifying that the tank is in compliance.

2.3.2 Additional Self-Inspection Procedures

In addition to the self-inspection program for the tanks currently subject to Rule 463, TLO plans to follow the practices specified in American Petroleum Institute (API) 653 for tanks inspection. Any scheduled or non-scheduled tank inspections that might identify non-compliance items will be repaired and reported according to Rule 463 to the SCAQMD.

2.4 Repair

SCAQMD Rule 463 has strict tank repair time. For any tank subject to this rule and found to be out of compliance, TLO will attempt at repair to bring it back into compliance within 72 hours. If the repair cannot be made within 72 hours, TLO will take the tank out-of-service or file for a variance to request for longer repair period.

2.5 Notifications and Reporting Requirements

For any tank subject to Rule 463, TLO will do the following notifications and/or reporting requirements:

- Inform SCAQMD within five days of a successful inspection by submitting Rule 463 inspection report(s).
- Inform SCAQMD, in writing within 120 hours of a determination of non-compliance and corrective action to achieve compliance for the tank.
- Notify SCAQMD, in writing at least 24 hours, but no more than 10 days prior to the start of the emptying operation, or the degassing of any storage tank.
- Notify SCAQMD, in writing at least two weeks prior to the starting, of any Rule 463 tank roof re-floating (exception - drain dry tanks that change service – SCAQMD notified by degassing company in accordance with permit condition)

- Submit to SCAQMD any revision made to TIMP procedures within 30 days of any change.

To ensure the accuracy and completeness of each report generated after each inspection, TLO certified inspectors will sign-off each inspection report and certify that it is complete. In addition, the TLO Tank Team Inspector review each document produced by the TLO tank seal inspection and repair team, before sending it the SCAQMD.

2.6 Recordkeeping Requirements

The TLO's Tank Team Inspector will maintain all documents regarding tanks inspections, repairs, audits, malfunctions, and agency reports on file for at least 5 years. The TLO Tank Team Inspector maintains copies of audit reports and agency inspections. These documents will be made available to SCAQMD upon request.

2.7 Training and Certification

All TLO tank seal inspectors are certified through the SCAQMD Tank Self-Inspection Program. At any given time, there are a number of certified inspectors routinely available for conducting inspections to ensure compliance with SCAQMD Rule 463 requirements. All inspectors hold current certificates issued by the SCAQMD and are in good standing in this program.

3.0 Health and Safety Procedures

The greatest potential for safety hazards will be related to field inspections of TLO's primary seals on top of floating roof tanks. To ensure that the TLO personnel and its contractors minimize the risk of injuries and accidents while conducting tank seal inspection, all TLO personnel, contractors, and other third parties shall follow TLO's Health and Safety (H&S) procedures listed below and provided in the most current *Tesoro Logistics Safety Manual*. TLO is providing the SCAQMD with a copy of their current safety procedures. The SCAQMD Inspectors will follow their agency's health and safety procedures when conducting tank seal audits for the East Hynes/West Hynes Terminal. SCAQMD will provide TLO with their H&S procedures, including PPE that will be worn during tank seal inspections. TLO's H&S measures are in accordance with Federal Occupational Safety and Health Administration (OSHA) 29 Code of Federal Regulations (CFR) Part 1910 for Occupational Health and Safety Standards, and OSHA 29 CFR Part 1926 for Safety and Health Regulations for Construction; and California Code of Regulations, Title 8, Chapter 4 Division of Industrial Safety, Subchapter 4 for Construction Safety Orders, Subchapter 7 for General Safety Orders, and Subchapter 15 for Petroleum Safety Orders – Refining, Transportation and Handling.

For the purpose of Rule 463 TIMP H&S requirements, the following list of TLO's H&S procedures can be found in the most current edition of the *Tesoro Logistics Safety Manual*:

- **Procedure for Confined Space Entry**
- **Procedure for Emergency Preparedness**
- **Procedure for Accident Reporting and Investigating**
- **Procedure for Personal Protective Equipment (PPE)**
- **Procedure for Eye and Face Protection**
- **Procedure for Fire-Resistant Clothing (FRC)**
- **Procedure for Hearing Conservation Program**
- **Procedure for Smoking Policy**
- **Appendix Procedure for Vehicle Safety**
- **Procedure for Fall Protection Program**

- **Procedure for Respiratory Protection Program**
- **Procedure for Contractor Safety**
- **Procedure for Hydrogen Sulfide Safety Program**

3.1 Personal Protective Equipment

The following is a summary of PPE that are required to be worn by TLO personnel, contractors and third parties when entering on top of floating roof tanks for tank seal inspection:

- Hard hats;
- Safety shoes;
- Fire-Resistant Clothing;
- Fall Protection (on tanks without standard guardrail system);
- Hearing protection in noise hazard areas;
- Safety glasses; and
- Gloves.
- Respiratory protection as required in Respiratory Protection Program