

PROPOSED

[Amended Date]

CERTIFIED MAIL
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07-xxx E CAB
File No. 0088-13

Mr. Thomas M. Kovar
Refinery Manager
Chevron USA Products Company
Hawaii Refinery
91-480 Malakole Street
Kapolei, Hawaii 96707-1883

Dear Mr. Kovar:

**Subject: Amendment of Covered Source Permit (CSP) No. 0088-01-C
Significant Modification Application No. 0088-13
FCC Flare
Chevron USA Products Company
Petroleum Refinery
Located at: 91-480 Malakole Street, Kapolei, Oahu
Date of Expiration: June 27, 2011**

In accordance with Hawaii Administrative Rules, Chapter 11-60.1, and pursuant to your application for a Significant Modification dated March 29, 2007, the Department of Health hereby amends Covered Source Permit (CSP) No. 0088-01-C issued to Chevron USA Products Company. The amendment adds NSPS Subpart J applicability to the FCC Flare.

The enclosed Attachment II(E) supersedes in its entirety the corresponding Attachment II(E) issued with CSP No. 0088-01-C on February 22, 1999 and amended on January 22, 2002, April 16, 2002, March 3, 2003, June 28, 2006, April 24, 2007 and August 13, 2007. All other permit conditions issued with CSP No. 0088-01-C shall not be affected and shall remain valid. A receipt for the application filing fee of \$1,000.00 is enclosed.

If there are any questions regarding these matters, please contact Mr. Darin Lum of the Clean Air Branch at (808) 586-4200.

Sincerely,

THOMAS E. ARIZUMI, P.E., CHIEF
Environmental Management Division

DL:se
Enclosures
c: CAB Monitoring Section

**ATTACHMENT II(E): SPECIAL CONDITIONS
COVERED SOURCE PERMIT NO. 0088-01-C**

FLARES

[Amended Date]

[Expiration Date: June 27, 2011]

In addition to the standard conditions of the Covered Source Permit, the following special conditions shall apply to the permitted facility:

Section A. Equipment Description

1. This portion of the Covered Source Permit encompasses the following equipment and associated appurtenances:
 - a. Crude Flare (steam-assisted); and
 - b. FCC Flare (steam-assisted)

(Auth.: HAR §11-60.1-3)
2. The permittee shall permanently attach an identification tag or nameplate on each piece of equipment which identifies the model number, serial number or I.D. number and manufacturer. The identification tag or nameplate shall be attached to the equipment in a conspicuous location.

(Auth.: HAR §11-60.1-5, §11-60.1-90)

Section B. Applicable Federal Regulations

1. The Crude Flare is subject to the provisions of the following federal regulations:
 - a. 40 CFR Part 60, New Source Performance Standards (NSPS),
 - i. Subpart A, General Provisions; and
 - ii. Subpart GGG, Standards of Performance for Equipment Leaks in Petroleum Refineries.
 - b. 40 CFR Part 63, National Emission Standards for Hazardous Air Pollutants for Source Categories (MACT),
 - i. Subpart A, General Provisions; and
 - ii. Subpart CC, National Emission Standards for Hazardous Air Pollutants from Petroleum Refineries.

The permittee shall comply with all applicable requirements of these standards, including all emission limits, notification, reporting, monitoring, testing and recordkeeping requirements. The major requirements of these standards are detailed in the special conditions of this permit.

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11-60.1-161, 11-60.1-174, 40 CFR §60.1, §60.590, §63.1, §63.640)¹

2. The FCC Flare is subject to the provisions of the following federal regulations:
 - a. 40 CFR Part 60, New Source Performance Standards (NSPS),
 - i. Subpart A, General Provisions;
 - ii. Subpart J, Standards of Performance for Petroleum Refineries; and
 - iii. Subpart GGG, Standards of Performance for Equipment Leaks in Petroleum Refineries.
 - b. 40 CFR Part 63, National Emission Standards for Hazardous Air Pollutants for Source Categories (MACT),
 - i. Subpart A, General Provisions; and
 - ii. Subpart CC, National Emission Standards for Hazardous Air Pollutants from Petroleum Refineries.

The permittee shall comply with all applicable requirements of these standards, including all emission limits, notification, reporting, monitoring, testing and recordkeeping requirements. The major requirements of these standards are detailed in the special conditions of this permit.

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11-60.1-161, 11-60.1-174, 40 CFR §60.1, §60.100, §60.590, §63.1, §63.640)¹

Section C. Operational and Emission Limitations

1. The maximum hydrogen sulfide (H₂S) content of any supplemental fuel (RFG) to the FCC flare shall not exceed 230 mg/dscm (160 ppmv).

(Auth.: HAR §11-60.1-3, §11-60.1-38, §11.60.1-90, §11.60.1-161, 40 CFR §60.104)¹

2. The maximum sulfur content of any supplemental fuel (RFG) to the crude flare shall not exceed 2.0% by weight.

(Auth.: HAR §11-60.1-3, §11-60.1-38, §11.60.1-90)

3. The flares shall be designed for and operated with no visible emissions except for periods not to exceed a total of 5 minutes during any 2 consecutive hours.

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11.60.1-161, §11.60.1-174, 40 CFR §60.18, §60.592, §63.11, §63.643)¹

4. Flares shall be operated with a flame present at all times.

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11.60.1-161, §11.60.1-174, 40 CFR §60.18, §60.592, §63.11, §63.643)¹

5. The net heating value of the gas being combusted must be greater than 300 Btu/scf (11.2 MJ/scm).

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11.60.1-161, §11.60.1-174, 40 CFR §60.18, §60.592, §63.11, §63.643)¹

Section D. Monitoring and Recordkeeping Requirements

1. The permittee shall monitor the flares for visible emission during any flaring event. If visible emissions during any flaring event exceeds 5 minutes in duration, the permittee shall determine compliance of the flare with Special Condition No. C.3 of this Attachment using 40 CFR Part 60, Appendix A, Reference Method 22. The observation period is 2 hours and shall be used according to Reference Method 22. This test shall be performed as soon as practicable and would be cause for the permittee to take corrective actions. The permittee shall keep records including the time and date of any flaring event exceeding 5 minutes in duration, the subsequent Method 22 visible emissions test, and the corrective actions taken. Reference Method 22 field records shall be recorded in accordance with 40 CFR Part 60, Appendix A, Method 22, Section 11.2.1.

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11.60.1-161, §11.60.1-174, 40 CFR §60.18, §60.592, §63.11, §63.643)¹

2. The presence of a flare pilot flame shall be monitored using a thermocouple or any other equivalent device to detect the presence of a flame. The thermocouple or other equivalent device shall be periodically maintained to ensure continued operation.

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11.60.1-161, §11.60.1-174, 40 CFR §60.18, §60.592, §63.11, §63.643, §63.644)¹

3. All records, including support information, shall be maintained at the facility for at least five (5) years from the date of the monitoring samples, measurements, tests, reports, or application. Support information includes all calibration and maintenance records and copies of all reports required by the permit. These records shall be in a permanent form suitable for inspection and made available to the Department of Health or their representatives upon request.

(Auth.: HAR §11-60.1-3, §11-60.1-11, §11-60.1-90, §11.60.1-174, 40 CFR §63.654)¹

Section E. Notification and Reporting Requirements

1. Annual Emissions

As required by Attachment IV and in conjunction with the requirements of Attachment III, Annual Fee Requirements, the permittee shall submit **on an annual basis** the total tons per year emitted of each regulated air pollutant, including hazardous air pollutants. The reporting of annual emissions is due within **sixty (60) days** following the end of each

calendar year. The enclosed **Annual Emissions Report Form: Refinery Equipment - Process Rate** or equivalent form, shall be used in reporting flare emissions.

Upon written request of the permittee, the deadline for reporting annual emissions may be extended if the Department of Health determines that reasonable justification exists for the extension.

(Auth.: HAR §11-60.1-3, §11-60.1-5, §11-60.1-90, §11-60.1-114)

2. Additional notification and reporting requirements shall be conducted in accordance with the standard conditions found in Attachment I, Standard Condition Nos. 16, 17 and 25, respectively. These notifications shall include, but not be limited to:
 - a. Intent to shutdown air pollution control equipment for necessary scheduled maintenance;
 - b. Emissions of air pollutants in violation of HAR, Chapter 11-60.1 or this permit (excluding technology-based emission exceedances due to emergencies); and
 - c. Permanent discontinuance of construction, modification, relocation or operation of the facility covered by this permit.

(Auth.: HAR §11-60.1-8, §11-60.1-15, §11-60.1-16, §11-60.1-90)

3. The permittee shall report **within five (5) working days** *any deviations from permit requirements*, including those attributable to upset conditions, the probable cause of such deviations and any corrective actions or preventative measures taken. Corrective actions may include a requirement for more frequent monitoring, or could trigger implementation of a corrective action plan.

(Auth.: HAR §11-60.1-3, §11-60.1-15, §11-60.1-16, §11-60.1-90)

4. Compliance Certification

During the permit term, the permittee shall submit at least **annually** to the Department of Health and EPA Region 9, **Compliance Certification Form**, pursuant to HAR §11-60.1-86. The permittee shall indicate whether or not compliance is being met with each term or condition of this permit. The compliance certification shall be submitted **within ninety (90) days after the end of each calendar year**, and shall be signed and dated by a responsible official. The compliance certification shall include, at a minimum, the following information:

- a. The identification of each term or condition of the permit that is the basis of the certification;
- b. The compliance status;
- c. Whether compliance was continuous or intermittent;
- d. The methods used for determining the compliance status of the source currently and over the reporting period;
- e. Any additional information indicating the source's compliance status with any applicable enhanced monitoring and compliance certification including the requirements of Section 114(a)(3) of the Clean Air Act or any applicable monitoring and analysis provisions of Section 504(b) of the Clean Air Act; and

- f. Any additional information as required by the Department of Health including information to determine compliance.

Upon written request of the permittee, the deadline for submitting the compliance certification may be extended, if the Department of Health determines that reasonable justification exists for the extension.

(Auth.: HAR §11-60.1-4, §11-60.1-86, §11.60.1-90)¹

5. The permittee shall submit **semi-annually** written reports to the Department of Health for monitoring purposes. The report shall be submitted **within sixty (60) days** after the end of each semi-annual calendar period (January 1 to June 30 and July 1 to December 31) and shall include the following:

- a. Results of any Method 22 visible emission test performed. Include the time and date of the test and the corrective actions taken.
b. Any deviations from permit requirements shall be clearly identified.

(Auth.: HAR §11-60.1-3, §11-60.1-90, §11.60.1-174, 40 CFR §63.654)¹

Section F. Agency Notifications

Any document (including reports) required to be submitted by this Covered Source permit shall be in accordance with Attachment I, Standard Condition No. 29.

(Auth.: HAR §11-60.1-4, §11-60.1-90)

¹The citations to the Code of Federal Regulations (CFR) identified under a particular condition, indicate that the permit condition complies with the specified provision(s) of the CFR. Due to the integration of the preconstruction and operating permit requirements, permit conditions may incorporate more stringent requirements than those set forth in the CFR.

²The citations to the State Implementation Plan (SIP) identified under a particular condition, indicate that the permit condition complies with the specified provision(s) of the SIP.