



FEB 22 2016

Mr. James Adams
Phillips 66 Pipeline
3900 Kilroy Airport Way, Suite 210
Long Beach, CA 90806

**Re: Notice of Minor Title V Permit Modification
District Facility # S-1518
Project # 1160332**

Dear Mr. Adams:

Enclosed is the District's analysis of your application for minor Title V permit modification for the facility identified above. You proposed a Title V minor permit modification to incorporate recently issued Authority to Construct (ATC) S-1518-36-0 (under project S-1153791) into the Title V operating permit. The ATC authorized an organic liquid unloading operation.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct (ATC) S-1518-36-0, emission increases, and application. This project will be subject to a 45-day EPA commenting period prior to the District taking final action.

If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,



Arnaud Marjollet
Director of Permit Services

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061
www.valleyair.org www.healthyairliving.com

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

TITLE V APPLICATION REVIEW

Minor Modification
Project #: S-1160332

Engineer: Richard Edgehill
Date: February 11, 2016

Facility Number: S-1518
Facility Name: Phillips 66 Pipeline
Mailing Address: 3900 Kilroy Airport Way, Suite 210
Long Beach, CA 90806

RWK
2-18-16

Contact Name: James Adams
Phone: (562) 290-1516
Responsible Official: Gabe Munoz

Title: WC Pipeline Division Manager

I. PROPOSAL

Phillips 66 Pipeline (Phillips) is proposing a Title V minor permit modification to incorporate the recently issued Authority to Construct (ATC) S-1518-36-0 into the Title V permit. The ATC authorized an organic liquid unloading operation.

II. FACILITY LOCATION

The equipment is located at 14990 Highway 46, Lost Hills.

III. EQUIPMENT DESCRIPTION

PTO S-1518-36-1: ORGANIC LIQUID UNLOADING OPERATION

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is considered to be a minor modification and, as such, requires no public review.

V. APPLICABLE REQUIREMENTS

District Rule 2520, Federally Mandated Operating Permits (Adopted June 21, 2001)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

The draft PTO S-1518-36-1 includes all the conditions on ATC S-1518-36-0 except ATC Condition #1 which has been satisfied with this application.

VII. COMPLIANCE

In accordance with Rule 2520, 3.20, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;
2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
 - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of section 11.4 by including:

1. A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
2. The source's suggested draft permit; and
3. Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used.

VIII. ATTACHMENTS

- I. Proposed Modified Title V Operating Permit
- II. Authority to Construct
- III. Application
- IV. Emissions Increase

Attachment I
Proposed Title V Draft PTO

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1518-36-1

EXPIRATION DATE: 05/31/2019

EQUIPMENT DESCRIPTION:
ORGANIC LIQUID UNLOADING OPERATION

DRAFT

PERMIT UNIT REQUIREMENTS

1. The unloading equipment shall be designed, installed, maintained and operated such that there are no leaks or excess organic liquid drainage at disconnection. [District Rule 2201] Federally Enforceable Through Title V Permit
2. A leak shall be defined as the dripping of organic compounds at a rate of more than three drops per minute or the detection of gaseous or vapor emissions with a concentration of VOC greater than 1,000 ppmv above background as methane. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Excess liquid drainage shall be defined as exceeding 10 milliliters based on an average from 3 consecutive disconnects. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Gaseous or vapor emissions with a concentration of VOC greater than 10,000 ppmv above a background as methane and liquid leaks at a rate of more than three (3) drops per minute shall constitute a leak and are violations of this permit. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The operator shall inspect each transfer rack handling organic liquids for leaks during transfer at least once every calendar quarter using the test method prescribed in this permit. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Any component that is found to be leaking shall be repaired or replaced within 72 hours. If the leaking component cannot be repaired or replaced within 72 hours, the component shall be taken out of service until such time the component is repaired or replaced. The repaired or replacement equipment shall be re-inspected the first time the equipment is in operation after the repair or replacement. [District Rule 2201] Federally Enforceable Through Title V Permit
7. All measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instructions not more than 30 days prior to its use. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Fugitive VOC emissions from components in gas, light liquid, and light oil service shall not exceed 0.02 lb/day. VOC emissions from disconnects shall not exceed 0.45 lbs/day and there shall be no more than 24 liquid line disconnects per day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Fugitive VOC emissions rate shall be calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c, Oil and Gas Production Screening Value Ranges Emission Factors (Feb 1999) from the total number of components in gas, light liquid, and light crude oil service. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Permittee may apply for a written approval from the APCO to change the inspection frequency from quarterly to annually provided no leaks are found during five consecutive quarterly inspections. Upon identification of any leak during an annual inspection the frequency shall revert back to quarterly and the operator shall contact the APCO in writing within 14 days. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

11. Records shall be maintained of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components. The records shall include a copy of the current calibration gas certification from the vendor of the calibration gas cylinder, the date of calibration, the concentration of calibration gas, the instrument reading of calibration gas before adjustment, the instrument reading of calibration gas after adjustment, the calibration gas expiration date, and the calibration gas cylinder pressure at the time of calibration. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Permittee shall maintain records of number and type of components installed and calculated fugitive emissions. Permittee shall update such records when new components are installed. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The operator shall maintain records of the results of all required leak inspections. [District Rule 1070] Federally Enforceable Through Title V Permit
14. The operator shall maintain daily records of liquid throughput and number of disconnects. [District Rule 1070 and 2201] Federally Enforceable Through Title V Permit
15. All records required by this permit shall be retained on-site for a minimum of five years and made available for District, ARB, and EPA inspection upon request. [District Rule 1070 and 2201] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

DRAFT

Attachment II
Authority to Construct

AUTHORITY TO CONSTRUCT

PERMIT NO: S-1518-36-0

ISSUANCE DATE: 10/08/2015

LEGAL OWNER OR OPERATOR: PHILLIPS 66 PIPELINE LLC
MAILING ADDRESS: 256 E POLK STREET
COALINGA, CA 93210

LOCATION: JUNCTION PUMP STATION
14990 HWY 46
LOST HILLS, CA 93249

EQUIPMENT DESCRIPTION:
ORGANIC LIQUID UNLOADING OPERATION

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. The unloading equipment shall be designed, installed, maintained and operated such that there are no leaks or excess organic liquid drainage at disconnection. [District Rule 2201] Federally Enforceable Through Title V Permit
3. A leak shall be defined as the dripping of organic compounds at a rate of more than three drops per minute or the detection of gaseous or vapor emissions with a concentration of VOC greater than 1,000 ppmv above background as methane. [District Rule 2201] Federally Enforceable Through Title V Permit
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6. The operator shall inspect each transfer rack handling organic liquids for leaks during transfer at least once every calendar quarter using the test method prescribed in this permit. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

Arnaud Marjollet, Director of Permit Services

S-1518-36-0 : Feb 11 2016 3:41PM -- EDGEHILL : Joint Inspection NOT Required

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585

7. Any component that is found to be leaking shall be repaired or replaced within 72 hours. If the leaking component cannot be repaired or replaced within 72 hours, the component shall be taken out of service until such time the component is repaired or replaced. The repaired or replacement equipment shall be re-inspected the first time the equipment is in operation after the repair or replacement. [District Rule 2201] Federally Enforceable Through Title V Permit
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12. Records shall be maintained of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components. The records shall include a copy of the current calibration gas certification from the vendor of the calibration gas cylinder, the date of calibration, the concentration of calibration gas, the instrument reading of calibration gas before adjustment, the instrument reading of calibration gas after adjustment, the calibration gas expiration date, and the calibration gas cylinder pressure at the time of calibration. [District Rule 2201] Federally Enforceable Through Title V Permit
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15. The operator shall maintain daily records of liquid throughput and number of disconnects. [District Rule 1070 and 2201] Federally Enforceable Through Title V Permit
16. All records required by this permit shall be retained on-site for a minimum of five years and made available for District, ARB, and EPA inspection upon request. [District Rule 1070 and 2201] Federally Enforceable Through Title V Permit

Attachment III
Application



San Joaquin Valley Air Pollution Control District

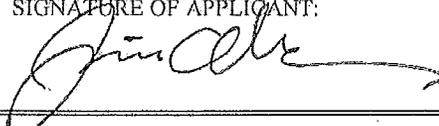
www.valleyair.org



5-1518-36-1

Permit Application For:

[] ADMINISTRATIVE AMENDMENT [X] MINOR MODIFICATION [] SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: Phillips 66 Junction Pump Station		
2. MAILING ADDRESS: STREET/P.O. BOX: <u>3900 Kilroy Airport Way, Suite 210</u> CITY: <u>Long Beach</u> STATE: <u>CA</u> 9-DIGIT ZIP CODE: <u>90806</u>		
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: STREET: <u>14990 HWY 46</u> CITY: <u>Lost Hills</u> <u> </u> ¼ SECTION <u>SE19</u> TOWNSHIP <u>26S</u> RANGE <u>19E</u>		INSTALLATION DATE:
4. GENERAL NATURE OF BUSINESS: Petroleum Distribution		
5. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary) S-1518-36-0 Add this permit to our Title V Permit.		
6. TYPE OR PRINT NAME OF APPLICANT: Jim Adams		TITLE OF APPLICANT: Senior Consultant
7. SIGNATURE OF APPLICANT: 		DATE: 2-11-16 PHONE: (562) 290-1516 FAX: () EMAIL:

For APCD Use Only:

DATE STAMP	FILING FEE RECEIVED: \$ _____ CHECK#: _____
	DATE PAID: _____
	PROJECT NO: _____ FACILITY ID: _____

**San Joaquin Valley
Unified Air Pollution Control District**

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I. TYPE OF PERMIT ACTION (Check appropriate box) S-1518-36-0

- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE
 MINOR PERMIT MODIFICATION AMENDMENT

COMPANY NAME: Phillips 66 Pipeline Company	FACILITY ID: S- 1518
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name: Phillips66 Company, Inc.	
3. Agent to the Owner: NA	

II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):

- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:

Gabe Munoz
 Signature of Responsible Official

02/04/2016
 Date

Gabe Munoz
 Name of Responsible Official (please print)

WC Pipeline Division Manager
 Title of Responsible Official (please print)

Attachment IV
Emissions Increase

Permit #: S-1518-36-0	Last Updated
Facility: PHILLIPS 66 PIPELINE LLC	10/02/2015 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	0.0	0.0	0.0	0.0	171.0
Daily Emis. Limit (lb/Day)	0.0	0.0	0.0	0.0	0.5
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	0.0	0.0	42.0
Q2:	0.0	0.0	0.0	0.0	43.0
Q3:	0.0	0.0	0.0	0.0	43.0
Q4:	0.0	0.0	0.0	0.0	43.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					