



FEB 27 2014

Ms. Helen Ordway
Alon Bakersfield Refinery
PO Box 1551
Bakersfield, CA 93302

**Re: Proposed Authority to Construct/Certificate of Conformity (Minor Mod)
District Facility # S-33
Project # 1140156**

Dear Ms. Ordway:

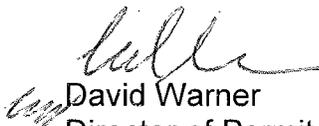
Enclosed for your review is the District's analysis of an application for Authority to Construct for the facility identified above. You requested that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The project authorizes a 325 hp Tier 3 diesel-fired emergency IC engine powering a backup air compressor at Refinery Areas 1&2 Facility S-33.

After addressing all comments made during the 45-day EPA comment period, the District intends to issue the Authority to Construct with a Certificate of Conformity. Prior to operating with modifications authorized by the Authority to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

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,



David Warner
Director of Permit Services

Enclosures

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

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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CH&SC 42301.6 School Notice

Title 13 California Code of Regulations (CCR), Section 2423 – Exhaust Emission Standards and Test Procedures, Off-Road Compression-Ignition Engines and Equipment
Title 17 CCR, Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines

III. Project Location

The project is located at 6451 Rosedale Hwy in Bakersfield, CA. The District has verified that the equipment is not located within 1,000 feet of the outer boundary of a K-12 school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to this project.

A location map is included in **Attachment I**.

IV. Process Description

The emergency standby engine powers back-up air compressor for the plant-wide system. Other than emergency standby operation, the engine may be operated up to 50 hours per year for maintenance and testing purposes.

A plot plan is included in **Attachment II**.

V. Equipment Listing

S-33-448-0: 325 BHP CATERPILLAR MODEL C11 TIER 3 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE SERVED BY JOHNSON MATTHEY'S OXIDATION CATALYST POWERING A BACK-UP AIR COMPRESSOR (REFINERY AREAS 1 & 2) (ALSO PERMITTED AS S-34-51 - AREA 3)

VI. Emission Control Technology Evaluation

The engine is equipped with:

- Turbocharger
- Intercooler/aftercooler
- Injection timing retard (or equivalent per District Policy SSP-1805, dated 8/14/1996)
- Positive Crankcase Ventilation (PCV) or 90% efficient control device
- This engine is required to be, and is UL certified
- Catalytic particulate filter
- Very Low (0.0015%) sulfur diesel
- Johnson Matthey's CRT® particulate filter system that contains oxidation catalyst

The emission control devices/technologies and their effect on diesel engine emissions detailed below are from *Non-catalytic NO_x Control of Stationary Diesel Engines*, by Don Koeberlein, CARB.

The turbocharger reduces the NO_x emission rate from the engine by approximately 10% by increasing the efficiency and promoting more complete burning of the fuel.

The intercooler/aftercooler functions in conjunction with the turbocharger to reduce the inlet air temperature. By reducing the inlet air temperature, the peak combustion temperature is lowered, which reduces the formation of thermal NO_x. NO_x emissions are reduced by approximately 15% with this control technology.

The PCV system reduces crankcase VOC and PM₁₀ emissions by at least 90% over an uncontrolled crankcase vent.

The use of very low-sulfur diesel fuel (0.0015% by weight sulfur maximum) reduces SO_x emissions by over 99% from standard diesel fuel.

The Johnson Matthey's CRT® particulate filter system contains a platinum (Pt) catalyst and a particulate filter that can control PM, CO, and NO_x emissions. However, this oxidation catalyst is being installed to control CO so the engines will meet BACT for CO. The oxidation catalyst consists of a particulate filter to control PM followed by an oxidation catalyst to control CO. Per manufacturer, this system will provide >90% reduction in CO emissions by converting it into CO₂ and H₂O. The system can operate at lower temperature that is very compatible with typical exhaust temperature from diesel engines.

VII. General Calculations

A. Assumptions

Emergency operating schedule:	24 hours/day
Non-emergency operating schedule:	50 hours/year
Density of diesel fuel:	7.1 lb/gal
EPA F-factor (adjusted to 60 °F):	9,051 dscf/MMBtu
Fuel heating value:	137,000 Btu/gal
BHP to Btu/hr conversion:	2,542.5 Btu/bhp-hr
Thermal efficiency of engine:	commonly ≈ 35%
PM ₁₀ fraction of diesel exhaust:	0.96 (CARB, 1988)

B. Emission Factors

There is no proposed change in emissions factors listed on PTO S-34-51-2.

- Emissions from this IC engine shall not exceed any of the following limits: 2.52 g-NOx/bhp-hr, 0.25 g-CO/bhp-hr, or 0.18 g-VOC/bhp-hr. [District NSR Rule and 13 CCR 2423 and 17 CCR 93115] Y
- Emissions from this IC engine shall not exceed 0.15 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District NSR Rule and District Rule and 4102 and 13 CCR 2423 and 17 CCR 93115] Y

Emission Factors		
Pollutant	Emission Factor (g/bhp-hr)	Source
NO _x	2.52	ARB/EPA Certification
SO _x	0.0051	Mass Balance Equation Below
PM ₁₀	0.15	ARB/EPA Certification
CO	0.25	See Discussion Below
VOC	0.18	ARB/EPA Certification

$$\frac{0.000015 \text{ lb} - S}{\text{lb} - \text{fuel}} \times \frac{7.1 \text{ lb} - \text{fuel}}{\text{gallon}} \times \frac{2 \text{ lb} - SO_2}{1 \text{ lb} - S} \times \frac{1 \text{ gal}}{137,000 \text{ Btu}} \times \frac{1 \text{ bhp input}}{0.35 \text{ bhp out}} \times \frac{2,542.5 \text{ Btu}}{\text{bhp} - \text{hr}} \times \frac{453.6 \text{ g}}{\text{lb}} = 0.0051 \frac{\text{g} - SO_x}{\text{bhp} - \text{hr}}$$

C. Calculations

1. Pre-Project Emissions (PE1)

Since this is a new emissions unit, PE1 = 0.

2. Post Project PE (PE2)

The daily and annual PE are calculated as follows:

Daily Post Project Emissions					
Pollutant	Emissions Factor (g/bhp-hr)	Rating (bhp)	Daily Hours of Operation (hrs/day)	Conversion (g/lb)	PE2 Total (lb/day)
NO _x	2.52	325	24	453.6	43.3
SO _x	0.0051	325	24	453.6	0.1
PM ₁₀	0.15	325	24	453.6	2.6
CO	0.25	325	24	453.6	4.3
VOC	0.18	325	24	453.6	3.1

Annual Post Project Emissions					
Pollutant	Emissions Factor (g/bhp-hr)	Rating (bhp)	Annual Hours of Operation (hrs/yr)	Conversion (g/lb)	PE2 Total (lb/yr)
NO _x	2.52	325	50	453.6	90
SO _x	0.0051	325	50	453.6	0
PM ₁₀	0.15	325	50	453.6	5
CO	0.25	325	50	453.6	9
VOC	0.18	325	50	453.6	6

Emissions profiles are included in **Attachment III**.

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

SSPE1 calculations are necessary to aid the following determinations:

- If the facility is becoming a new Major Source,
- An offset threshold will be surpassed, or
- A Stationary Source Increase in Permitted Emissions (SSIPE) public notice is triggered

Pursuant to Section 4.9 of District Rule 2201, the Pre-Project Stationary Source Potential to Emit (SSPE1) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

Facility emissions are already above the Offset and Major Source Thresholds for NO_x, VOC, CO, PM₁₀, and SO_x emissions; therefore, SSPE1 calculations are not necessary.

4. Post Project Stationary Source Potential to Emit (SSPE2)

SSPE2 calculations are necessary to aid the following determinations:

- If the facility is becoming a new Major Source,
- An offset threshold will be surpassed, or
- An SSIPE public notice is triggered

Pursuant to Section 4.10 of District Rule 2201, the Post-Project Stationary Source Potential to Emit (SSPE2) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

Facility emissions are already above the Offset and Major Source Thresholds for NO_x, VOC, CO, PM₁₀, and SO_x emissions; therefore, SSPE2 calculations are not necessary.

5. Major Source Determination

Rule 2201 Major Source Determination:

Pursuant to District Rule 2201, a Major Source is a stationary source with a SSPE2 equal to or exceeding one or more of the following threshold values. For the purposes of determining major source status the following shall not be included:

- any ERCs associated with the stationary source
- Emissions from non-road IC engines (i.e. IC engines at a particular site at the facility for less than 12 months)
- Fugitive emissions, except for the specific source categories specified in 40 CFR 51.165

This source is an existing Major Source for NO_x, SO_x, PM₁₀, CO, and VOC and will remain a Major Source for these pollutants.

Rule 2410 Major Source Determination:

The facility or the equipment evaluated under this project is listed as one of the categories specified in 40 CFR 52.21 (b)(1)(iii). Therefore the PSD Major Source threshold is 100 tpy for any regulated NSR pollutant and 100,000 tpy for CO₂e.

As stated in the EE for project S33, 1130353 gas combustion equipment at this facility totals more than 2,360.63 MMBtu/hr. The resultant CO₂e is calculated using the factor for natural gas combustion (ARB GHG emission factor for natural gas) and 8,760 hours/year use as:

$$(2,360.63 \text{ MMBtu/hr})(116.67 \text{ lb-CO}_2\text{e/MMBtu})(8,760 \text{ hrs/yr}) \\ = \underline{1,206,316 \text{ tons-CO}_2\text{e/yr.}}$$

PSD Major Source Determination (tons/year)							
	NO ₂	VOC	SO ₂	CO	PM	PM ₁₀	CO ₂ e
Estimated Facility PE before Project Increase	-	-	-	-	-	-	>1,206,316
PSD Major Source Thresholds	100	100	100	100	100	100	100,000*
PSD Major Source ? (Y/N)	NA	NA	NA	NA	NA	NA	Y

* It is assumed that total mass GHG emissions will also be greater than 250 tpy. For facilities with significant emissions of N₂O, CH₄, HFC, PFC or SF₆, this assumption may not hold.

As shown above, the facility is an existing major source for PSD for at least one pollutant. Therefore the facility is an existing major source for PSD.

6. Baseline Emissions (BE)

BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to Section 3.23

Since this engine will be operated only for emergencies, it is exempt from offsets per Rule 2201 §4.6.2. Baseline emissions are calculated solely for determining whether offsets will be required; therefore, BE calculations will not be required for this project.

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

Since this facility is a major source for all pollutants, the project's PE2 is compared to the SB 288 Major Modification Thresholds in the following table in order to determine if the SB 288 Major Modification calculation is required.

SB 288 Major Modification Thresholds			
Pollutant	Project PE2 (lb/year)	Threshold (lb/year)	SB 288 Major Modification Calculation Required?
NO _x	90	50,000	No
SO _x	0	80,000	No
PM ₁₀	5	30,000	No
VOC	6	50,000	No

Since none of the SB 288 Major Modification Thresholds are surpassed with this project, this project does not constitute an SB 288 Major Modification.

8. Federal Major Modification

District Rule 2201 states that a Federal Major Modification is the same as a “Major Modification” as defined in 40 CFR 51.165 and part D of Title I of the CAA.

The determination of Federal Major Modification is based on a two-step test. For the first step, only the emission *increases* are counted. Emission decreases may not cancel out the increases for this determination.

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project.

The project’s combined total emission increases are calculated in Section VII of this evaluation and compared to the Federal Major Modification Thresholds in the following table.

Federal Major Modification Thresholds for Emission Increases			
Pollutant	Total Emissions Increases (lb/yr)	Thresholds (lb/yr)	Federal Major Modification?
NO _x *	90	0	No
VOC*	6	0	No
PM ₁₀	5	30,000	No
PM _{2.5}	5	20,000	No
SO _x	0	80,000	No

* Increases of less than 0.5 lb/day round to zero for NSR purposes.

9. Rule 2410 – Prevention of Significant Deterioration (PSD) Applicability Determination

Rule 2410 applies to any pollutant regulated under the Clean Air Act, except those for which the District has been classified nonattainment. The pollutants which must be addressed in the PSD applicability determination for sources located in the SJV and which are emitted in this project are: (See 52.21 (b) (23) definition of significant)

- NO₂ (as a primary pollutant)
- SO₂ (as a primary pollutant)
- CO
- PM
- PM₁₀
- Greenhouse gases (GHG): CO₂, N₂O, CH₄

The first step of this PSD applicability determination consists of determining whether the facility is or is not an existing PSD Major Source (See Section VII.C.5 of this document).

If the facility is an existing PSD Major Source, the second step to determine PSD applicability is to determine if the project results in a significant increase and if so, also a significant net emissions increase for any PSD pollutant.

If the facility is an existing source but not an existing PSD Major Source, the second step to determine PSD applicability is to determine if the project, by itself, would be a PSD Major Source. If so, then the project must be evaluated to determine if the the emissions increase of any PSD pollutant will result in a significant increase and if so, also a significant net emissions increase.

If the facility is new source, the second step to determine PDS applicability is to determine if this new facility will become a new PSD Major Source as a result of the project. If so, then the project must be evaluated to determine if the emissions increase of any PSD pollutant will result in a significant emissions increase and if so, also a significant net emissions increase.

I. Project Location Relative to Class 1 Area

As demonstrated in the “PSD Major Source Determination” Section above, the facility was determined to be a existing PSD Major Source. Because the project is not located within 10 km (6.2 miles) of a Class 1 area – modeling of the emission increase is not required to determine if the project is subject to the requirements of Rule 2410.

II. Project Emission Increase – Significance Determination

a. Evaluation of Calculated Post-project Potential to Emit for New or Modified Emissions Units vs PSD Significant Emission Increase Thresholds

As a screening tool, the post-project potential to emit from all new and modified units is compared to the PSD significant emission increase thresholds, and if the total potentials to emit from all new and modified units are below the applicable thresholds, no futher PSD analysis is needed.

PSD Significant Emission Increase Determination: Potential to Emit (tons/year)						
	NO ₂	SO ₂	CO	PM	PM ₁₀	CO ₂ e
Total PE from New and Modified Units	0.05	0.0	0.005	0.003	0.003	<75,000
PSD Significant Emission Increase Thresholds	40	40	100	25	15	75,000
PSD Significant Emission Increase?	N	N	N	N	N	N

As demonstrated above, because the post-project total potentials to emit from all new and modified emission units are below the PSD significant emission increase thresholds, this project is not subject to the requirements of Rule 2410 and no further discussion is required.

10. Quarterly Net Emissions Change (QNEC)

The QNEC is calculated solely to establish emissions that are used to complete the District's PAS emissions profile screen. As the permit unit is new QNEC = PE2/4.

VIII. Compliance

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis for the following*:

- a) Any new emissions unit with a potential to emit exceeding two pounds per day,
- b) The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
- c) Modifications to an existing emissions unit with a valid Permit to Operate resulting in an AIPE exceeding two pounds per day, and/or
- d) Any new or modified emissions unit, in a stationary source project, which results in a Major Modification.

*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE2 of less than 200,000 pounds per year of CO.

a. New emissions units – PE > 2 lb/day

As discussed in Section I above, there are no new emissions units associated with this project. Therefore BACT for new units with PE > 2 lb/day purposes is not triggered.

b. Relocation of emissions units – PE > 2 lb/day

As discussed in Section I above, there is an emissions unit being relocated from one stationary source to another and as seen in the table below and Section VII.C.2 above, the emissions unit has a PE greater than 2 lb/day for NO_x, PM₁₀, CO, and VOC.

Relocated Emissions Unit BACT Applicability				
Pollutant	Daily Emissions for unit -448-0 (lb/day)	BACT Threshold (lb/day)	SSPE2 (lb/yr)	BACT Triggered?
NO _x	43.3	> 2.0	n/a	Yes
SO _x	0.1	> 2.0	n/a	No
PM ₁₀	2.6	> 2.0	n/a	Yes
CO	4.3	> 2.0 and SSPE2 ≥ 200,000 lb/yr	> 200,000	Yes
VOC	3.1	> 2.0	n/a	Yes

Thus BACT will be triggered for NO_x, PM₁₀, CO, and VOC emissions from the engine for this project.

c. Modification of emissions units – Adjusted Increase in Permitted Emissions (AIPE) > 2 lb/day

As discussed previously in Section I, this engine is not being modified as a result of this project. Therefore, BACT is not triggered for the modification of emissions units with an AIPE > 2 lb/day.

d. SB 288/Federal Major Modification

As discussed in Sections VII.C.7 and VII.C.8 above, this project does not constitute an SB 288 and/or Federal Major Modification for NO_x emissions. Therefore BACT is not triggered for any pollutant.

2. BACT Guideline

BACT Guideline 3.1.1, which appears in **Attachment IV** of this report, covers diesel-fired emergency IC engines.

3. Top Down BACT Analysis

Per District Policy APR 1305, Section IX, “A top-down BACT analysis shall be performed as a part of the Application Review for each application subject to the BACT requirements pursuant to the District’s NSR Rule for source categories or classes covered in the BACT Clearinghouse, relevant information under each of the following steps may be simply cited from the Clearinghouse without further analysis.”

Pursuant to the attached Top-Down BACT Analysis, which appears in **Attachment V** of this report, BACT is satisfied with:

- NO_x: Latest EPA Tier Certification level for applicable horsepower range
- VOC: Latest EPA Tier Certification level for applicable horsepower range
- PM₁₀: 0.15 g/hp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)

CO: Latest EPA Tier Certification level for applicable horsepower range

The following condition(s) will be listed on the ATC to ensure compliance with the PM₁₀ BACT emissions limit:

Emissions from this IC engine shall not exceed 0.15 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102, 17 CCR 93115, 40 CFR Part 60 Subpart IIII]

B. Offsets

Since emergency IC engines are exempt from the offset requirements of Rule 2201, per Section 4.6.2, offsets are not required for this engine, and no offset calculations are required.

C. Public Notification

1. Applicability

Public noticing is required for:

- a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,
- b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- c. Any project which results in the offset thresholds being surpassed, and/or
- d. Any project with an SSIPE of greater than 20,000 lb/year for any pollutant.

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

As demonstrated in Sections VII.C.7 and VII.C.8, this project does not constitute an SB 288 or Federal Major Modification; therefore, public noticing for SB 288 or Federal Major Modification purposes is not required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a PE greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. There are no new emissions units associated with this project. Therefore public noticing is not required for this project for PE > 100 lb/day.

c. Offset Threshold

The SSPE1 and SSPE2 are compared to the offset thresholds in the following table.

Offset Thresholds				
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?
NO _x	>20,000 lb/year	>20,000 lb/year	20,000 lb/year	No
SO _x	>54,750 lb/year	>54,750 lb/year	54,750 lb/year	No
PM ₁₀	>29,200 lb/year	>29,200 lb/year	29,200 lb/year	No
CO	>200,000 lb/year	>200,000 lb/year	200,000 lb/year	No
VOC	>20,000 lb/year	>20,000 lb/year	20,000 lb/year	No

As detailed above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

d. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a SSIPE of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE = SSPE2 – SSPE1. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table.

SSIPE Public Notice Thresholds					
Pollutant	SSPE2 (lb/yr)	SSPE1 (lb/yr)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	>20,000 lb/yr	>20,000 lb/yr	90	20,000 lb/year	No
SO _x	>54,750 lb/yr	>54,750 lb/yr	0	20,000 lb/year	No
PM ₁₀	>29,200 lb/yr	>29,200 lb/yr	5	20,000 lb/year	No
CO	>200,000 lb/yr	>200,000 lb/yr	9	20,000 lb/year	No
VOC	>20,000 lb/yr	>20,000 lb/yr	6	20,000 lb/year	No

As demonstrated above, the SSIPEs for all pollutants were less than 20,000 lb/year; therefore public noticing for SSIPE purposes is not required.

2. Public Notice Action

As discussed above, this project is a Federal Major Modification which would subject the project to any of the noticing requirements listed above. Therefore, public notice will be required for this project.

D. Daily Emissions Limits

Daily Emissions Limitations (DELs) and other enforceable conditions are required by Section 3.15 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. Per Sections 3.15.1 and 3.15.2,

the DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT. For this emergency standby IC engine, the DELs are stated in the form of emission factors, the maximum engine horsepower rating, and the maximum operational time of 24 hr/day. Therefore, the following conditions (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

{edited 3485} Emissions from this IC engine shall not exceed any of the following limits: 2.52 g-NOx/bhp-hr, 0.25 g-CO/bhp-hr, or 0.18 g-VOC/bhp-hr. [District Rule 2201 and 13 CCR 2423 and 17 CCR 93115]

{edited 3486} Emissions from this IC engine shall not exceed 0.15 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]

The CO emission factor takes in account the 90% control efficiency from the CRT® particulate filter system that contains oxidation catalyst to meet BACT achieved in practice emission limit on 0.6 grams/bhp-hr. The control efficiency is guaranteed by the manufacturer as long as the system is operating under lower temperature. Therefore, the following conditions will be placed on the permit to ensure compliance.

{3397} This IC engine shall be equipped with a 90% CO control efficiency catalyst (oxidation catalyst or equal). [District Rule 2201]

In addition, the DEL for SO_x is established by the sulfur content of the fuel being combusted in the engine. Therefore, the following condition will be listed on the ATC to ensure compliance:

{3395} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801 and 17 CCR 93115]

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required for emergency standby IC engines to demonstrate compliance with Rule 2201.

2. Monitoring

No monitoring is required to demonstrate compliance with Rule 2201.

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification, and daily emission limit requirements of Rule 2201. As required by District Rule 4702, *Stationary Internal Combustion Engines - Phase 2*, this IC engine is subject to recordkeeping requirements. Recordkeeping requirements, in accordance with District Rule 4702, will be discussed in Section VIII, *District Rule 4702*, of this evaluation.

4. Reporting

No reporting is required to ensure compliance with Rule 2201.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. Section 3.29 defines a significant permit modification as a “permit amendment that does not qualify as a minor permit modification or administrative amendment.”

The project is Federal Major Modification and therefore is also a Title V Significant Modification. As discussed above, the facility has applied for a Certificate of Conformity (COC); therefore, the facility must apply to modify their Title V permit with an administrative amendment, prior to operating with the proposed modifications. Included in **Attachment VIII** is VPC’s Title V Compliance Certification form. Continued compliance with this rule is expected.

Rule 4002 National Emission Standards for Hazardous Air Pollutants

40 CFR 63 Subpart ZZZZ – National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Emissions (RICE)

Emergency engines are subject to this subpart if they are operated at a major or area source of Hazardous Air Pollutant (HAP) emissions. A major source of HAP emissions is a facility that has the potential to emit any single HAP at a rate of 10 tons/year or greater or any combinations of HAPs at a rate of 25 tons/year or greater. An area source of HAPs is a facility is not a major source of HAPs.

The engine is an existing stationary RICE located at an area source of HAP emissions; therefore, this engine is subject to this Subpart.

The following conditions will ensure compliance with this subpart:

This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 20 hours per calendar year. [District Rules 4701 and 4702, CCR §93115.3(j), and 40 CFR 63.6640 (f)(ii)]

This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702, 40 CFR 63.6625 (f), and 17 CCR 93115]

Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, Kern County Rule 407, 40 CFR 63.6604, and 17 CCR 93115]

The permittee must minimize the engine's time spent at idle during startup and minimize the engine's startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes. [40 CFR 63.6625(h)]

The engine's oil and filter shall be changed every 500 hours of operation or every 12 months, whichever comes first. [40 CFR 63.6603/63.6640]

The permittee has the option of utilizing an oil analysis program in order to extend the specified oil change requirement in Tables 2c and 2d of Subpart ZZZZ. The oil analysis must be performed at the same frequency specified for changing the oil in Table 2c or 2d to this subpart. The analysis program must at a minimum analyze the following three parameters: Total Base Number, viscosity, and percent water content. The condemning limits for these parameters are as follows: Total Base Number is less than 30 percent of the Total Base Number of the oil when new; viscosity of the oil has changed by more than 20 percent from the viscosity of the oil when new; or percent water content (by volume) is greater than 0.5. If all of these condemning limits are not exceeded, the engine owner or operator is not required to change the oil. If any of the limits are exceeded, the engine owner or operator must change the oil within 2 days of receiving the results of the analysis; if the engine is not in operation when the results of the analysis are received, the engine owner or operator must change the oil within 2 days or before commencing operation, whichever is later. The owner or operator must keep records of the parameters that are analyzed as part of the program, the results of the analysis, and the oil changes for the engine. The analysis program must be part of the maintenance plan for the engine. [40 CFR 63 Subpart ZZZZ]

The engine's air filter shall be inspected every 1,000 hours of operation or every 12 months, whichever comes first, and replaced as necessary. [40 CFR 63.6603/63.6640]

The engine's hoses and belts shall be inspected every 500 hours of operation or every 12 months, whichever comes first, and replaced as necessary. [40 CFR 63.6603/63.6640]

The permittee shall maintain monthly records of all performance tests, opacity and visible emissions observations and required maintenance performed on the air pollution control and monitoring equipment. [District Rule 1070 and 40 CFR 63.6655(a)(3)/§63.10(b)(2)(viii) and §63.6655(a)(4)]

The permittee shall maintain monthly records of the occurrence and duration of each malfunction of operation (i.e., process equipment) or the air pollution control and monitoring equipment. The permittee shall also maintain monthly records of action taken during periods of malfunction to minimize emissions in accordance with §63.6605(b), including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation. [District Rule 1070 and 40 CFR 63.6655(a)(2) and (a)(5)]

All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 4702, 40 CFR 63.6660, and 17 CCR 93115]

Additionally, 40 CFR 63 Subpart ZZZZ requires the following engines to comply with 40 CFR 60 Subpart IIII:

1. New emergency engines located at area sources of HAPs
2. Emergency engines rated less than or equal to 500 bhp and located at major sources of HAPs

Since this engine is not new, nor is the source a major source of HAPs (as required by condition 43 on facility-wide PTO S-33-0-2), Subpart ZZZZ will not require 40 CFR 60 Subpart IIII to be applicable.

The engine is expected to be in compliance with 40 CFR 63 Subpart ZZZZ.

Rule 4101 Visible Emissions

Rule 4101 states that no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. Therefore, the following condition will be listed on the ATC to ensure compliance:

{15} No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]

Rule 4102 Nuisance

Rule 4102 states that no air contaminant shall be released into the atmosphere which causes a public nuisance. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, the following condition will be listed on the ATC to ensure compliance:

{98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 - Risk Management Policy for Permitting New and Modified Sources (dated 3/2/01) specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

An HRA is not required for a project with a total facility prioritization score of less than one. According to the Technical Services Memo for this project (**Attachment VI**), the total facility prioritization score including this project was greater than one. Therefore, an HRA was required to determine the short-term acute and long-term chronic exposure from this project.

The cancer risk for this project is shown below:

HRA Summary		
Unit	Cancer Risk	T-BACT Required
S-33-448-0	0.09 per million	No

Technical Services requested that the following conditions will be listed on the ATC to ensure compliance:

- The PM10 emissions rate shall not exceed 0.15 g/bhp-hr based on US EPA certification using ISO 8178 test procedure. [District Rules 2201]
- The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]

- This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rule 4702 and 17 CCR 93115]

Rule 4201 Particulate Matter Concentration

Rule 4201 limits particulate matter emissions from any single source operation to 0.1 g/dscf, which, as calculated below, is equivalent to a PM₁₀ emission factor of 0.4 g-PM₁₀/bhp-hr.

$$0.1 \frac{\text{grain-PM}}{\text{dscf}} \times \frac{\text{g}}{15.43 \text{ grain}} \times \frac{1 \text{ Btu}_{in}}{0.35 \text{ Btu}_{out}} \times \frac{9,051 \text{ dscf}}{10^6 \text{ Btu}} \times \frac{2,542.5 \text{ Btu}}{1 \text{ bhp-hr}} \times \frac{0.96 \text{ g-PM}_{10}}{1 \text{ g-PM}} = 0.4 \frac{\text{g-PM}_{10}}{\text{bhp-hr}}$$

The IC engine has a PM₁₀ emission factor less than 0.4 g/bhp-hr. Therefore, compliance is expected and the following condition will be listed on the ATC:

{14} Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

Rule 4701 Internal Combustion Engines – Phase 1

The purpose of this rule is to limit the emissions of nitrogen oxides (NOx), carbon monoxide (CO), and volatile organic compounds (VOC) from internal combustion engines. Except as provided in Section 4.0, the provisions of this rule apply to any internal combustion engine, rated greater than 50 bhp that requires a PTO.

The proposed engine(s) are also subject to District Rule 4702, Internal Combustion Engines. Since emissions limits of District Rule 4702 and all other requirements are equivalent or more stringent than District Rule 4701 requirements, compliance with District Rule 4702 requirements will satisfy requirements of District Rule 4701.

Rule 4702 Internal Combustion Engines

The following table demonstrates how the proposed engine(s) will comply with the requirements of District Rule 4702.

District Rule 4702 Requirements Emergency Standby IC Engines	Proposed Method of Compliance with District Rule 4702 Requirements
<p>Operation of emergency standby engines is limited to 100 hours or less per calendar year for non-emergency purposes, verified through the use of a non-resettable elapsed operating time meter.</p>	<p>The Air Toxic Control Measure for Stationary Compression Ignition Engines (Stationary ATCM) limits this engine maintenance and testing to 50 hours/year. Thus, compliance is expected.</p>
<p>Emergency standby engines cannot be used to reduce the demand for electrical power when normal electrical power line service has not failed, or to produce power for the electrical distribution system, or in conjunction with a voluntary utility demand reduction program or interruptible power contract.</p>	<p>The following conditions will be included on the permit: {3807} An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702] {3808} This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702]</p>
<p>The owner/operator must operate and maintain the engine(s) and any installed control devices according to the manufacturers written instructions.</p>	<p>A permit condition enforcing this requirement was shown earlier in the evaluation.</p>
<p>The owner/operator must monitor the operational characteristics of each engine as recommended by the engine manufacturer or emission control system supplier.</p>	<p>The following condition will be included on the permit: {3478} During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702]</p>
<p>Records of the total hours of operation of the emergency standby engine, type of fuel used, purpose for operating the engine, all hours of non-emergency and emergency operation, and support documentation must be maintained. All records shall be retained for a period of at least five years, shall be readily available, and be made available to the APCO upon request.</p>	<p>The following conditions will be included on the permit: {3496} The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702 and 17 CCR 93115]</p>

	<p>The permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702 and 17 CCR 93115]</p> <p>{3475} All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 4702 and 17 CCR 93115]</p>
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Rule 4801 Sulfur Compounds

Rule 4801 requires that sulfur compound emissions (as SO₂) shall not exceed 0.2% by volume. Using the ideal gas equation, the sulfur compound emissions are calculated as follows:

$$\text{Volume SO}_2 = (n \times R \times T) \div P$$

n = moles SO₂

T (standard temperature) = 60 °F or 520 °R

$$R (\text{universal gas constant}) = \frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot \text{°R}}$$

$$\frac{0.000015 \text{ lb} - S}{\text{lb} - \text{fuel}} \times \frac{7.1 \text{ lb}}{\text{gal}} \times \frac{64 \text{ lb} - \text{SO}_2}{32 \text{ lb} - S} \times \frac{1 \text{ MMBtu}}{9,051 \text{ scf}} \times \frac{1 \text{ gal}}{0.137 \text{ MMBtu}} \times \frac{\text{lb} - \text{mol}}{64 \text{ lb} - \text{SO}_2} \times \frac{10.73 \text{ psi} - \text{ft}^3}{\text{lb} - \text{mol} - \text{°R}} \times \frac{520 \text{°R}}{14.7 \text{ psi}} \times 1,000,000 = 1.0 \text{ ppmv}$$

Since 1.0 ppmv is ≤ 2,000 ppmv, this engine is expected to comply with Rule 4801. Therefore, the following condition will be listed on the ATC to ensure compliance:

Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII]

California Health & Safety Code 42301.6 (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

Title 17 California Code of Regulations (CCR), Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines

The following table demonstrates how the proposed engine(s) will comply with the requirements of Title 17 CCR Section 93115.

Title 17 CCR Section 93115 Requirements for In-Use Emergency IC Engines	Proposed Method of Compliance with Title 17 CCR Section 93115 Requirements
Emergency engine(s) must be fired on CARB diesel fuel, or an approved alternative diesel fuel.	The applicant has proposed the use of CARB certified diesel fuel. The proposed permit condition, requiring the use of CARB certified diesel fuel, was included earlier in this evaluation.
The engine may not be operated more than 50 hours per year for maintenance and testing purposes.	The following condition will be included on the permit: <ul style="list-style-type: none"> This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rules 4701 and 4702, CCR §93115.6(b)(3), and 40 CFR 63.6640 (f)(ii)]
Engines, with a PM10 emissions rate greater than 0.01 g/bhp-hr and located at schools, may not be operated for maintenance and testing whenever there is a school sponsored activity on the grounds. Additionally, engines located within 500 feet of school grounds may not be operated for maintenance and testing between 7:30 AM and 3:30 PM	The District has verified that this engine is not located within 500' of a school.
An owner or operator shall maintain monthly records of the following: emergency use hours of operation; maintenance and testing hours of operation; hours of operation for emission testing; initial start-up testing hours; hours of operation for all other uses; and the type of fuel used. All records shall be retained for a minimum of 36 months.	Permit conditions enforcing these requirements were shown earlier in the evaluation.

California Environmental Quality Act (CEQA)

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The San Joaquin Valley Unified Air Pollution Control District (District) adopted its *Environmental Review Guidelines* (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.

- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

The District performed an Engineering Evaluation (this document) for the proposed project and determined that the project qualifies for ministerial approval under the District's Guideline for Expedited Application Review (GEAR). Section 21080 of the Public Resources Code exempts from the application of CEQA those projects over which a public agency exercises only ministerial approval. Therefore, the District finds that this project is exempt from the provisions of CEQA.

IX. Recommendation

Pending a successful COC period, issue Authority to Construct S-33-448-0 subject to the permit conditions on the attached draft Authority to Construct in **Attachment VII**.

X. Billing Information

Billing Schedule			
Permit Number	Fee Schedule	Fee Description	Fee Amount
S-33-448-0	3020-10-C	325 bhp IC engine	\$240.00

Attachments

- I: Location Map
- II: Plot Plan
- III: Emissions Profile
- IV: BACT Guideline
- V: BACT Analysis
- VI: HRA
- VII: Draft ATCs

Attachment I
Location Map



Attachment II
Plot Plan

Attachment III
Emissions Profile

Permit #: S-33-448-0	Last Updated
Facility: ALON BAKERSFIELD REFINING	02/01/2014 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):	90.0	0.0	5.0	9.0	6.0
Daily Emis. Limit (lb/Day)	43.3	0.1	2.6	4.3	3.1
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	22.0	0.0	1.0	2.0	1.0
Q2:	22.0	0.0	1.0	2.0	1.0
Q3:	23.0	0.0	1.0	2.0	2.0
Q4:	23.0	0.0	2.0	3.0	2.0
Check if offsets are triggered but exemption applies	Y	Y	Y	Y	Y
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Attachment IV
BACT Guideline

San Joaquin Valley
Unified Air Pollution Control District

Best Available Control Technology (BACT) Guideline 3.1.1
Last Update: 7/10/2009
Emergency Diesel IC Engine

Pollutant	Achieved in Practice or in the SIP	Technologically Feasible	Alternate Basic Equipment
CO	Latest EPA Tier Certification level for applicable horsepower range		
NOX	Latest EPA Tier Certification level for applicable horsepower range		
PM10	0.15 g/hp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)		
SOX	Very low sulfur diesel fuel (15 ppmw sulfur or less)		
VOC	Latest EPA Tier Certification level for applicable horsepower range		

BACT is the most stringent control technique for the emissions unit and class of source. Control techniques that are not achieved in practice or contained in a state implementation plan must be cost effective as well as feasible. Economic analysis to demonstrate cost effectiveness is required for all determinations that are not achieved in practice or contained in an EPA approved State Implementation Plan.

Attachment V BACT Analysis

Top Down BACT Analysis for the Emergency IC Engine(s)

BACT Guideline 3.1.1 (July 10, 2009) applies to emergency diesel IC engines. In accordance with the District BACT policy, information from that guideline will be utilized without further analysis.

1. BACT Analysis for NO_x, VOC, and CO Emissions:

a. Step 1 - Identify all control technologies

BACT Guideline 3.1.1 identifies only the following option:

- *Latest EPA Tier Certification level for applicable horsepower range*

To determine the latest applicable Tier level, the following EPA and state regulations were consulted:

- 40 CFR Part 60 Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines
- 40 CFR Part 89 – Control of Emissions from New and In-Use Nonroad Compression – Ignition Engines
- 40 CFR Part 1039 – Control of Emissions from New and In-Use Nonroad Compression-Ignition Engines
- Title 17 CCR, Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines

40 CFR Parts 89 and 1039, which apply only to nonroad engines, do not directly apply because the proposed emergency engine(s) do not meet the definition of a nonroad engine. Therefore, only Title 17 CCR, Section 93115 and 40 CFR Part 60 Subpart IIII apply directly to the proposed emergency engine(s).

Title 17 CCR, Section 93115.6(a)(3)(A) (CARB stationary diesel engine ATCM) applies to emergency standby diesel-fired engines and requires that such engines be certified to the emission levels in Table 1 (below). Please note that these levels are at least as stringent or more stringent than the emission levels in 40 CFR Subpart IIII.

Maximum Engine Power	Tier	Model Year(s)	PM	NMHC+NOx	CO
		2008+			
300 ≤ HP < 600 (225 ≤ kW < 450)	3	2007	0.15 (0.20)	3.0 (4.0)	2.6 (3.5)
		2008+			
		2008+			
		2008+			

Additionally, 40 CFR Subpart IIII establishes emission standards for emergency diesel IC engines. These emission standards are the same as those specified in the CARB ATCM, except for engines rated greater than or equal to 50 and less than 75 hp. For such IC engines, the CARB ATCM is more stringent.

Therefore, the most stringent applicable emission standards are those listed in the CARB ATCM (Table 1).

For IC engines rated greater than or equal to 75 hp and less than 750 hp the highest Tier required is Tier 3.

Also, please note that neither the state ATCM nor the Code of Federal Regulations require the installation of IC engines meeting a higher Tier standard than those listed above for emergency applications, due to concerns regarding the effectiveness of the exhaust emissions controls during periods of short-term operation (such as testing operational readiness of an emergency engine).

The proposed engine(s) is rated at 325 hp. Therefore, the applicable control technology option is EPA Tier 3 certification.

b. Step 2 - Eliminate technologically infeasible options

The control option listed in Step 1 is not technologically infeasible.

c. Step 3 - Rank remaining options by control effectiveness

No ranking needs to be done because there is only one control option listed in Step 1.

d. Step 4 - Cost Effectiveness Analysis

The applicant has proposed the only control option remaining under consideration. Therefore, a cost effectiveness analysis is not required.

e. Step 5 - Select BACT

BACT for NOx, VOC, and CO will be the use of an EPA Tier 3 certified engine. The applicant is proposing such a unit. Therefore, BACT will be satisfied.

3. BACT Analysis for PM₁₀ Emissions:

a. Step 1 - Identify all control technologies

BACT Guideline 3.1.1 identifies only the following option:

- *0.15 g/bhp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)*

The latest EPA Tier Certification level for an engine of the proposed model year and horsepower rating is Tier 3. Refer to the Top-Down BACT analysis for NO_x for a discussion regarding the determination of the EPA Tier level to be considered.

Please note Tier 2 or 3 IC engines do not have a PM emission standard that is more stringent than 0.15 g/hp-hr. Additionally, the ATCM requires a PM emission standard of 0.15 g/hp-hr for all new emergency diesel IC engines.

Therefore, a PM/PM₁₀ emission standard of 0.15 g/hp-hr is required as BACT.

b. Step 2 - Eliminate technologically infeasible options

The control option listed in Step 1 is not technologically infeasible.

c. Step 3 - Rank remaining options by control effectiveness

No ranking needs to be done because there is only one control option listed in Step 1.

d. Step 4 - Cost Effectiveness Analysis

The applicant has proposed the only control option remaining under consideration. Therefore, a cost effectiveness analysis is not required.

e. Step 5 - Select BACT

BACT for PM₁₀ is emissions of 0.15 g/hp-hr or less. The applicant is proposing an engine that meets this requirement. Therefore, BACT will be satisfied.

Attachment VI
HRA

San Joaquin Valley Air Pollution Control District Revised Risk Management Review

To: Robert Rinaldi, AQE - Permit Services
 From: Esteban Gutierrez, AQS - Permit Services
 Date: February 7, 2014 (February 20, 2014)
 Facility Name: Alon Bakersfield Refining
 Location: 6451 Rosedale HWY, Bakersfield CA 93308
 Application #(s): S-33-448-0
 Project #: S-1140156

A. RMR SUMMARY

RMR Summary			
Categories	Diesel-Fired IC Engine (Unit 448-0)	Project Totals	Facility Totals
Prioritization Score	N/A ¹	N/A ¹	N/A ¹
Acute Hazard Index	N/A ²	N/A ²	N/A ²
Chronic Hazard Index	N/A ²	N/A ²	N/A ²
Maximum Individual Cancer Risk (10 ⁻⁶)	0.09	0.09	7.90
T-BACT Required?	No		
Special Permit Conditions?	Yes		

- 1 Prioritization for this unit was not conducted since it has been determined that all diesel-fired IC engines will result in a prioritization score greater than 1.0.
- 2 Acute and Chronic Hazard Indices were not calculated since there is no risk factor, or the risk factor is so low that the risk has been determined to be insignificant for this type of unit.

Proposed Permit Conditions

To ensure that human health risks will not exceed District allowable levels; the following permit conditions must be included for:

Unit # 1-0

1. The PM10 emissions rate shall not exceed 0.15 g/bhp-hr based on US EPA certification using ISO 8178 test procedure. [District Rules 2201]
2. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
3. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rule 4702 and 17 CCR 93115]

B. RMR REPORT

I. Project Description

Technical Services received a revised request on February 12, 2014 to perform an Ambient Air Quality Analysis and a Risk Management Review for a proposed installation of a 325 bhp diesel-fired emergency IC engine powering an electrical generator.

II. Analysis

Technical Services performed a screening level health risk assessment using the District developed DICE database.

The following parameters were used for the review:

Analysis Parameters Unit 448-0			
Source Type	Point	Location Type	Urban
BHP	325	PM₁₀ g/hp-hr	0.15
Closest Receptor (m)	495	Quad	2
Max Hours per Year	50	Type of Receptor	Residential

Technical Services performed modeling for criteria pollutants CO, NO_x, SO_x and PM₁₀; as well as a RMR. The emission rates used for criteria pollutant modeling were 4.3 lb/day CO, 43.3 lb/day NO_x, 0.1 lb/day SO_x, and 0.2.6 lb/day PM₁₀. The engineer supplied the maximum fuel rate for the IC engine used during the analysis.

The results from the Criteria Pollutant Modeling are as follows:

Criteria Pollutant Modeling Results*

Diesel ICE	1 Hour	3 Hours	8 Hours.	24 Hours	Annual
CO	NA ¹	X	NA ¹	X	X
NO _x	NA ¹	X	X	X	Pass
SO _x	NA ¹	NA ¹	X	NA ¹	Pass
PM ₁₀	X	X	X	NA ¹	Pass ²
PM _{2.5}	X	X	X	NA ¹	Pass ²

*Results were taken from the attached PSD spreadsheet.

¹The project is an intermittent source as defined in APR-1920. In accordance with APR-1920, compliance with short-term (i.e., 1-hour, 3-hour, 8-hour and 24-hour) standards is not required.

²The criteria pollutants are below EPA's level of significance as found in 40 CFR Part 51.165 (b)(2).

III. Conclusion

The cancer risk associated with the operation of the proposed diesel IC engine is less than 1.0 in a million. In accordance with the District's Risk Management Policy, the project is approved without Toxic Best Available Control Technology (T-BACT) for PM10.

To ensure that human health risks will not exceed District allowable levels; the permit conditions listed on page 1 of this report must be included for this proposed unit .

These conclusions are based on the data provided by the applicant and the project engineer. Therefore, this analysis is valid only as long as the proposed data and parameters do not change.

The emissions from the proposed equipment will not cause or contribute significantly to a violation of the State and National AAQS.

IV. Attachments

- A. RMR request from the project engineer
- B. Additional information from the applicant/project engineer
- C. Toxic emissions summary
- D. Prioritization score
- E. Facility Summary

Attachment VII
Draft ATCs

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT

PERMIT NO: S-33-448-0

LEGAL OWNER OR OPERATOR: ALON BAKERSFIELD REFINING
MAILING ADDRESS: 6451 ROSEDALE HWY
BAKERSFIELD, CA 93308

LOCATION: 6451 ROSEDALE HWY (AREA 1 & 2)
BAKERSFIELD, CA 93308

EQUIPMENT DESCRIPTION:

325 BHP CATERPILLAR MODEL C11 TIER 3 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE SERVED BY JOHNSON MATTHEY'S OXIDATION CATALYST POWERING A BACK-UP AIR COMPRESSOR (REFINERY AREAS 1 & 2) (ALSO PERMITTED AS S-34-51 - AREA 3)

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
4. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap, roof overhang, or any other obstruction. [District Rule 4102]
5. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District NSR Rule and District Rule and 4801 and 17 CCR 93115] Federally Enforceable Through Title V Permit
6. This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702, 17 CCR 93115, and 40 CFR 63, Subpart ZZZZ] 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

DAVID WARNER, Director of Permit Services

S-33-448-0 : Feb 20 2014 3:19PM -- EDGEHLR : Joint Inspection NOT Required

7. This IC engine shall be equipped with a 90% CO control efficiency catalyst (oxidation catalyst or equal). [District NSR Rule] Federally Enforceable Through Title V Permit
8. This engine shall be equipped with either a positive crankcase ventilation (PCV) system that recirculates crankcase emissions into the air intake system for combustion, or a crankcase emissions control device of at least 90% control efficiency. [District NSR Rule] Federally Enforceable Through Title V Permit
9. Emissions from this IC engine shall not exceed any of the following limits: 2.52 g-NOx/bhp-hr, 0.25 g-CO/bhp-hr, or 0.18 g-VOC/bhp-hr. [District NSR Rule and 13 CCR 2423 and 17 CCR 93115] Federally Enforceable Through Title V Permit
10. Emissions from this IC engine shall not exceed 0.15 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District NSR Rule and District Rule and 4102 and 13 CCR 2423 and 17 CCR 93115] Federally Enforceable Through Title V Permit
11. This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702, 5.7.2] Federally Enforceable Through Title V Permit
12. During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702, 5.7.3] Federally Enforceable Through Title V Permit
13. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rule 4702, 17 CCR 93115, and 40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit
14. An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702, 3.15] Federally Enforceable Through Title V Permit
15. This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702, 4.2.2] Federally Enforceable Through Title V Permit
16. Engine shall be in full compliance with 40 CFR Part 63, Subpart ZZZZ (National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines). [40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit
17. Permittee must minimize the engine's time spent at idle during startup and minimize the engine's startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes. [40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit
18. Engine's oil and filter shall be changed every 500 hours of operation or every 12 months, whichever comes first. [40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

19. Permittee has the option of utilizing an oil analysis program in order to extend the specified oil change requirement in Tables 2c and 2d of Subpart ZZZZ. The oil analysis must be performed at the same frequency specified for changing the oil in Table 2c or 2d to this subpart. The analysis program must at a minimum analyze the following three parameters: Total Base Number, viscosity, and percent water content. The condemning limits for these parameters are as follows: Total Base Number is less than 30 percent of the Total Base Number of the oil when new; viscosity of the oil has changed by more than 20 percent from the viscosity of the oil when new; or percent water content (by volume) is greater than 0.5. If all of these condemning limits are not exceeded, the engine owner or operator is not required to change the oil. If any of the limits are exceeded, the engine owner or operator must change the oil within 2 days of receiving the results of the analysis; if the engine is not in operation when the results of the analysis are received, the engine owner or operator must change the oil within 2 days or before commencing operation, whichever is later. The owner or operator must keep records of the parameters that are analyzed as part of the program, the results of the analysis, and the oil changes for the engine. The analysis program must be part of the maintenance plan for the engine. [40 CFR 63, Subpart ZZZZ]
20. Engine's air filter shall be inspected every 1,000 hours of operation or every 12 months, whichever comes first, and replaced as necessary. [40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit
21. Engine's hoses and belts shall be inspected every 500 hours of operation or every 12 months, whichever comes first, and replaced as necessary. [40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit
22. Permittee shall maintain monthly records of all performance tests, opacity and visible emissions observations and required maintenance performed on the air pollution control and monitoring equipment. [District Rule 1070 and 40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit
23. Permittee shall maintain monthly records of the occurrence and duration of each malfunction of operation (i.e., process equipment) or the air pollution control and monitoring equipment. The permittee shall also maintain monthly records of action taken during periods of malfunction to minimize emissions in accordance with §63.6605(b), including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation. [District Rule 1070 and 40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit
24. Permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702, 6.2.3 and 17 CCR 93115] Federally Enforceable Through Title V Permit
25. Permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit
26. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 4702, 17 CCR 93115, and 40 CFR 63, Subpart ZZZZ] Federally Enforceable Through Title V Permit

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