

 SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT ENGINEERING & COMPLIANCE DIVISION APPLICATION PROCESSING AND CALCULATIONS	PAGES 9	PAGE 1
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	PROCESSED BY Jon Uhl	CHECKED BY

PERMIT TO OPERATE - MODIFICATION

COMPANY NAME, LOCATION ADDRESS:

DeMenno/Kerdoon, Inc., SCAQMD ID # 800037
 2000 North Alameda Street
 Compton, CA 90222

EQUIPMENT DESCRIPTION:

Permit to Operate:

Section D of DeMenno/Kerdoon Facility Permit, ID# 800037

Equipment	ID No.	Connected To	Source Type/ Monitoring Unit	Emissions And Requirements	Conditions
Process 9 : AIR POLLUTION CONTROL					
System 9 : VAPOR RECOVERY SYSTEM – FRONT LOADING RACKS (modified)					S13.3, S15.2 S18.8
VAPOR RETURN LINE, 5 TOTAL 6 TOTAL A/N: 493608 525368	C17	D315			
VAPOR RETURN LINE, 4 TOTAL A/N: 493608 525368	C22	D314			
KNOCK OUT POT, KO-100, HEIGHT: 3 FT 4 IN; DIAMETER: 1 FT 6 IN A/N: 493608 525368	D315	C17			
KNOCK OUT POT, KO-101, HEIGHT: 3 FT 4 IN; DIAMETER: 1 FT 6 IN A/N: 493608 525368	D314	C22			
KNOCK OUT POT, KO-102, HEIGHT: 6 FT 8 IN; DIAMETER: 2 FT A/N: 493608 525368	D207				
POT, SEAL, SP-100, HEIGHT: 6 FT; DIAMETER: 2 FT A/N: 493608 525368	D208				
BLOWER, VACUUM, BL-704, 7.5 HP A/N: 493608 525368	D198	C142 C281			D90.6 K67.11

Device C142 = Process 9: System 7 -- Afterburner

Device C281 = Process 9: System 13 -- Afterburner

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F16.1 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or items(s):

Records of the monthly (and quarterly where applicable) inspections, and subsequent repair and reinspection of VOC fugitive components subject to District 1173.

RULE 1173, 5-13-1994; RULE 1173, 2-6-2009

S13.3 All devices under this system are subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
VOC	District Rule	462

RULE 462, 5-14-1999

[Systems subject to this condition: Process 7, System 5,9; Process 9, System 9]

S15.2 The vent gases from all affected devices of this process/system shall be vented as follows:

All vent gases from this system shall be vented to the Afterburners (Process 9, Systems 7 & 13).

This process/system shall not be operated unless at least one of the two afterburners is in full use and has a valid permit to receive gases from this system.

RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002;

RULE 1303(b)(2)-Offset, 5-10-1996; RULE 1303(b)(2)-Offset, 12-6-2002

[Systems subject to this condition: Process 9, System 1, 2, 5, 8, 9, 11, 12]

S18.8 All affected devices listed under this process/system shall be used only to receive, recover and/or dispose of vent gases routed from the system(s) or process(es) listed below, in addition to specific devices identified in the “connected to” column:

Fuel Oil Cutter Loading (Process: 7, System: 4)

Naphtha Loading (Process: 7, System: 5)

Marine Diesel Oil Loading (Process: 7, System: 6)

Asphalt Flux Loading – Rack No. 4 (Process: 7, System: 7)

RCRA Fuel Loading and Unloading (Process: 7, System: 9)

RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002;

RULE 1303(b)(2)-Offset, 5-10-1996; RULE 1303(b)(2)-Offset, 12-6-2002

[Systems subject to this condition: Process 9, System 9]

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D90.6 The operator shall periodically monitor the operation of the vacuum blower according to the following specifications:

The operator shall monitor once every day.

RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997;
RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002
 [Devices subject to this condition: D198]

K67.11 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or item(s):

Monitoring, maintenance and repair of the vacuum blower.

Records shall be kept and maintained for at least five years, and shall be made available to the Executive Officer or his authorized representative upon request.

RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997;
RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002
 [Devices subject to this condition: D198]

BACKGROUND:

DeMenno/Kerdoon, Inc. (D/K, Facility ID #800037) operates a Title V, NOx-RECLAIM facility in the city of Compton. The initial Title V permit (A/N 334197) was issued on 7/1/2011.

This facility receives used oil, used antifreeze and oily wastewater. These materials are delivered by truck and unloaded into fixed roof storage tanks. Oil and antifreeze are processed into recycled products. Oily water is processed in an industrial wastewater treatment system, and discharged to Los Angeles County Sanitation Districts (LACSD). Recycled products are loaded into tanker trucks or drums for shipment. D/K operations are also subject to a permit issued by the California Department of Toxic Substance Control (DTSC).

The Vapor Recovery System – Front Loading Racks collects vapors displaced from trucks loaded with fuel oil cutter, naphtha, marine diesel oil, asphalt flux and RCRA Fuel at the front loading racks and sends the vapors to the afterburners (C142 & C281).

Application number 525368 was received on July 8, 2011 (deemed complete July 27, 2011) for permit modifications (active permit to operate G13243, A/N 493608) to add one additional vapor return line to this vapor recovery system.

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PROCESS DESCRIPTION:

The Vapor Recovery System – Front Loading Racks collects vapors displaced from trucks loaded at the front loading racks:

- Fuel Oil Cutter Loading (Process: 7, System: 4)
- Naphtha Loading (Process: 7, System: 5)
- Marine Diesel Oil Loading (Process: 7, System: 6)
- Asphalt Flux Loading – Rack No. 4 (Process: 7, System: 7)
- RCRA Fuel Loading and Unloading (Process: 7, System: 9)

The displaced vapors are sent to the afterburners (C142 & C281) in P9:S7 & P9:S13, via knockout pots KO-100, KO-101 & KO-102, seal pot SP-400 and vacuum blower BL-704.

Process flow diagrams LR-3&4 and AB show the venting path from the loading rack to the afterburners, and are included as Attachments #1 - #2.

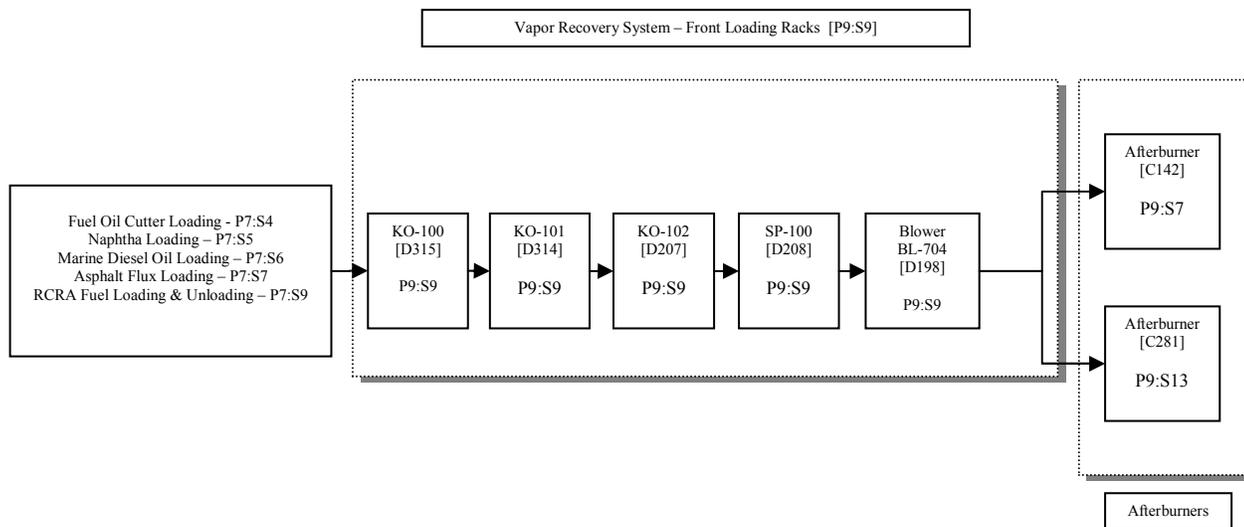


Figure 1 – Tank Venting Path

FEE EVALUTION

The fees paid for the application is:

Table 1 – Application Fees Paid

A/N	Equipment	BCAT/CCAT	Type	Status	Fee Schedule	Fees Required, \$	Fees Paid, \$
525368	VRS – Front Loading Racks, P9:S9	04	50	20	B	2,123.92	2,123.92
522476	RECLAIM/Title V deMinimis Significant Revision	555009	86	21	--	1,723.07	1,723.07

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EMISSIONS CALCULATIONS:

This vapor recovery system is an intermediate part of the control equipment. All potential VOC and TAC emissions are evaluated at the loading racks and afterburners. Under normal operating conditions the VRS operates under vacuum, and the emissions generated at the loading racks are transferred to the afterburners with no intermediate emission points. During breakdown conditions (when the afterburners or vacuum blowers are not operating), no products may be loaded onto trucks. The entire vapor recovery system is subject to the monitoring and recordkeeping requirements of Rule 1173 (condition F16.1). NSR balance for this permit unit is zero. TAC emissions are zero for this permit unit.

REVIEW OF COMPLIANCE DATABASE:

On 7/8/2011, the AQMD Compliance Database shows five (5) outstanding Notices of Violation since July 1, 2005 (see Attachment #3). The NOV's do not apply to this vapor recovery system.

RULES EVALUATION:

PART 1 STATE REGULATIONS

California Environmental Quality Act (CEQA)
This is not a significant project.

PART 2 SCAQMD REGULATIONS

Rule 212	Standards for Approving Permits	November 14, 1997
	This equipment meets all the criteria in Rule 212 for permit approval. Rule 212 public notice is not required.	
212(a)	This equipment was designed so the vapor recovery system (VRS) can operate without emitting air contaminants in violation of Division 26 of the State Health and Safety Code or in violation of AQMD's rules and regulations.	
212(b)	Does not apply; there is no Permit to Construct.	
212(c)(1)	The VRS is located within 1000 feet of a school; however, there is no increase in emissions from the facility and no increase in health risk at any receptor. Rule 212 public notice is not required.	
212(c)(2)	There is no VOC emission increase.	
212(c)(3)	This VRS does not have an increased cancer risk greater than, or equal to, one in a million (1×10^{-6}) during a lifetime of 70 years or pose a risk of nuisance.	

Rule 401	Visible Emissions	November 9, 2001
	Visible emissions are not expected under normal operation.	

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Rule 402	Nuisance	May 7, 1976
	Nuisance complaints are not expected under normal operating conditions, with the VRS vented to the afterburners.	

Rule 407	Liquid and Gaseous Air Contaminants	April 2, 1982
407(a)(1)	Does not apply. CO emissions are not expected.	
407(a)(2)	Discharge of sulfur compounds in excess of 500 ppmv, calculated as sulfur dioxide, is not expected. This vapor recovery system is vented to the afterburners. Discharge of sulfur compounds is evaluated at the afterburners, devices C142 and C281.	

Rule 1173	Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants	February 6, 2009
1173(b)	<p><u>Applicability:</u> Rule applies; this facility is a lubricating oil and grease re-refiner.</p> <p>On Form 400A, D/K gives their primary NAICS code as 32191 – Petroleum Lubricating Oil and Grease Manufacturing. Per the NAICS Association website (www.naics.com), this is equivalent to a 1987 SIC code 2992 – Lubricating Oils and Greases. This facility is included in the definition of a “lubricating oil and grease re-refiner” given in Rule 1173(c)(15), which includes SIC code 2992.</p> <p>This vapor recovery system is expected to continue to comply with Rule 1173 given proper recordkeeping and inspections. Compliance with Rule 1173 requirements per condition F16.1.</p>	

REG XIII	New Source Review (NSR)	December 6, 2002
	Application Deemed Complete: July 27, 2011	
Rule 1303(a): BACT & Rule 1303(b)	<p>The requirements of Rules 1303(a) and 1303(b) do not apply since there is no emission increase. This vapor recovery system is an intermediate part of the control system with no intermediate emission points. VOC emissions are evaluated at the loading racks and afterburners.</p> <p>No VOC offsets are required.</p>	

Rule 1401	New Source Review of Toxic Air Contaminants	September 10, 2010
	Application Deemed Complete: July 27, 2011	
	<p>This vapor recovery system is control equipment which does not emit TAC's. TAC emissions are evaluated at the loading rack and afterburners. There is no increase in MICR, cancer burden, chronic HI and acute HI.</p> <p>Federal NSR for toxics does not apply since this vapor recovery system is not located at a plant site that is a major source as defined in 40CFR63, Subpart A, §63.2. This facility emits less than 10 tons per year of any HAP and 25 tons per year of all hazardous air pollutants (HAPs).</p>	

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Rule 1401.1	Requirements for New and Relocated Facilities Near Schools	November 4, 2005
1401.1(b)	This is an existing facility.	

REG XX	RECLAIM	May 6, 2005
	D/K has been designated as a NO _x RECLAIM facility. This vapor recovery system does not emit NO _x ; therefore, RECLAIM requirements do not apply.	

REG XXX	Title V	November 5, 2010
	D/K was issued an initial Title V permit effective on July 1, 2011. This is a minor permit revision as defined in Rule 3000(b)(15).	
	Rule 3000 (b)(15)(A)(i)	This revision does not require or change a case-by-case evaluation of: reasonably available control technology (RACT) pursuant to Title I of the federal Clean Air Act; or maximum achievable control technology (MACT) pursuant to 40 CFR Part 63, Subpart B.
	(b)(15)(A)(ii)	This revision does not violate a regulatory requirement.
	(b)(15)(A)(iii)	This revision does not require any significant change in monitoring terms or conditions in the permit.
	(b)(15)(A)(iv)	This revision does not require relaxation of any recordkeeping, or reporting requirement, or term, or condition in the permit.
	(b)(15)(A)(v)	This revision does not result in an emission increase of RECLAIM pollutants over the facility starting Allocation plus nontradeable Allocations, or higher Allocation amount which has previously undergone a significant permit revision.
	(b)(15)(A)(vi)	This revision does not result in an increase in emissions of a pollutant subject to Regulation XIII – New Source Review or a hazardous air pollutant.
	(b)(15)(A)(vii)	This revision does not result in an increase in GHG emissions of >75,000 tpy CO ₂ e.
	(b)(15)(A)(viii)	This revision does not establish or change a permit condition that the facility has assumed to avoid an applicable requirement.
	(b)(15)(A)(ix)	This revision is not an installation of a new permit unit subject to a New Source Performance Standard (NSPS) pursuant to 40 CFR Part 60, or a National Emission Standard for Hazardous Air Pollutants (NESHAP) pursuant to 40 CFR Part 61 or 40 CFR Part 63.
	(b)(15)(A)(x)	This revision is not a modification or reconstruction of an existing permit unit, resulting in new or additional NSPS requirements pursuant to 40 CFR Part 60, or new or additional NESHAP requirements pursuant to 40 CFR Part 61 or 40 CFR Part 63.
	A minor permit revision is subject to a 45-day EPA review , Rule 3003(j) and not subject to public participation requirements, Rule 3006(b).	

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PART 3 FEDERAL REGULATIONS

40CFR Part 61 Subpart FF	National Emission Standard for Benzene Waste Operations
	<p><u>Applicability</u></p> <p>(a) This facility is not a chemical manufacturing plant, coke by-product recovery plant or petroleum refinery as defined in §61.341.</p> <p>(b) This facility does not treat, store or dispose of hazardous waste generated by any facility listed in paragraph (a).</p> <p>This vapor recovery system is not subject to the requirements of 40CFR Part 61 Subpart FF.</p>

40CFR Part 63 Subpart CC	National Emission Standards for Hazardous Air Pollutants from Petroleum Refineries
	<p><u>Applicability</u> - This facility is not a major source as defined in section 112(a) of the Clean Air Act. This facility emits less than 25 tons per year of all hazardous air pollutants (HAPs) listed in table 1 of this subpart, and less than 10 tons per year of any one HAP.</p> <p>This vapor recovery system is not subject to the requirements of 40CFR Part 63 Subpart CC.</p>

40CFR Part 63 Subpart DD	National Emission Standards for Hazardous Air Pollutants from Off-Site Waste and Recovery Operations
	<p><u>Applicability</u> – This vapor recovery system is not located at a plant site that is a major source as defined in 40CFR §63.2. This facility emits less than 10 tons per year of any HAP and 25 tons per year of all hazardous air pollutants (HAPs).</p>

CONCLUSION

Based on the above evaluation, it is recommended that the following be issued:

A/N	Recommendation
525368	Issue Permit to Operate (PO) with conditions listed in the Conditions Section; include modification in the deminimis significant revision to the Title V/RECLAIM facility permit (A/N 522476)

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List of Attachments

1. DeMenno/Kerdoon Process Flow Drawing # LR-3&4, dated 8/16/2010
2. DeMenno/Kerdoon Process Flow Drawing # AB, dated 10/1/2010
3. AQMD Compliance Database (7/8/2011)