

# South Coast Air Quality Management District

## Statement of Basis

### Proposed Title V Renewal Permit

*Issue Date: October 10, 2012*

**Facility Name:** Tesoro Logistics Operations, LLC  
**Facility ID:** 167981  
**SIC Code:** 5171  
**Equipment Location:** 1926 E. Pacific Coast Highway  
Wilmington, CA 90744

**Application #:** 534019  
**Application Submittal Date:** 3/6/12

**AQMD Contact Person:** Sean Cullins  
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#### 1. Introduction and Scope of Permit

Title V is a national operating permit program for air pollution sources. Facilities subject to Title V must obtain a Title V permit and comply with specific Title V procedures to modify the permit. This permit replaces the facility's other existing permits. Title V does not necessarily include any new requirements for reducing emissions. It does, however, include new permitting, noticing, recordkeeping, and reporting requirements.

Pursuant to Title V of the federal Clean Air Act and AQMD Rule 3004 (f), a Title V permit shall expire five years from the date of issuance unless such permit has been renewed. Accordingly, each facility is required to submit a Title V renewal application and request the AQMD to renew their Title V permit. The proposed permit incorporates updates to the facility information provided in the facility's Title V renewal application and all rules and regulations that are currently applicable to the facility.

The AQMD implements Title V through Regulation XXX – Title V Permits, adopted by the AQMD Governing Board in order to comply with EPA's requirement that local air permitting authorities develop a Title V program. Regulation XXX was developed with the participation of the public and affected facilities through a series of public workshops, working group meetings, public hearings and other meetings.

The Title V major source threshold for a particular pollutant depends on the attainment status of the pollutant. CO, NO<sub>2</sub>, SO<sub>2</sub>, and lead are in attainment with federal standards. The status for PM-10 is serious nonattainment. The status for ozone is currently extreme nonattainment.

A Title V change of ownership and renewal permit is proposed to be issued to cover the operations of Tesoro Logistics Operations, LLC, located at 1926 Pacific Coast Highway, Wilmington, CA. This facility is subject to Title V requirements because it is a major source and is subject to certain NSPS (New Source Performance Standards) and NESHAP (National Emission Standards for Hazardous Air Pollutants) requirements.

## **2. Facility Description**

This is an existing facility that is in the business of storing and distributing petroleum products. The facility operates storage tanks, tank truck loading racks, a waste water treatment system, and a vapor control system.

## **3. Construction and Permitting History**

Tesoro Logistics Operations LLC is an active and operating petroleum product bulk terminal located in the city of Wilmington, CA. This facility was issued an initial Title V permit on April 16, 2001 under the name of Equilon Enterprises, LLC, Shell Oil Products US.. The first revision to the permit occurred in 2002 to modify three bulk loading racks and a storage tank. A change of ownership occurred in 2008 and the Title V permit was re-issued to Tesoro Refinery and Marketing Company. In 2011 another revision to the permit occurred involving modifications to two storage tanks. The facility was then acquired by Tesoro Logistics Operations, LLC. In 2011. The new change of ownership permit for this operator will be included as a part of this Title V permit renewal.

## **4. Regulatory Applicability Determinations**

Applicable legal requirements for which this facility is required to comply are required to be identified in the Title V permit (for example, Sections D and E of the proposed Title V permit). Applicability determinations (i.e., determinations made by the District with respect to what legal requirements apply to a specific piece of equipment, process, or operation) can be found in the Engineering Evaluations. NSPS requirements of 40 CFR Part 60 apply to certain units at the facility and the permit terms and conditions may be found in Sections D and H of the Title V permit. NESHAP requirements of 40 CFR Part 63 also apply to at the facility and the permit terms and conditions may be found in Sections D and J of the Title V permit.

## **5. Monitoring and Operational Requirements**

Applicable monitoring and operational requirements for which the facility is required to comply are identified in the Title V permit (for example, Sections D, H, I, and J, and Appendix B of the proposed Title V permit).

Discussion of any applicable monitoring and operational requirements can be found in the Engineering Evaluations. Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64 apply to certain units at the facility and the permit terms and conditions may be found in Section H of the Title V permit.

## 6. Permit Features

### Permit Shield

A permit shield is an optional part of a Title V permit that gives the facility an explicit protection from requirements that do not apply to the facility. A permit shield is a provision in a permit that states that compliance with the conditions of the permit shall be deemed compliance with all identified regulatory requirements. To incorporate a permit shield into the Title V permit involves submission of applications for change of conditions for each equipment affected by the permit shield. Permit shields are addressed in Rule 3004 (c). This facility has not applied for a permit shield.

### Streamlining Requirements

Some emission units may be subject to multiple requirements which are closely related or redundant. The conditions may be streamlined to simplify the permit conditions and compliance. Emission limits, work practice standards, and monitoring, recordkeeping, and reporting requirements may be streamlined. Compliance with a streamlined condition will be deemed compliance with the underlying requirements whether or not the emission unit is actually in compliance with the specific underlying requirement. This facility has not applied for any streamlined conditions.

## 7. Summary of Emissions and Health Risks

### **Criteria Pollutant Emissions (tons/year) Annual Reported Emissions for Reporting Period 2010**

Pollutant ID	Pollutant Description	Annual Emissions
CO	Carbon Monoxide	5.198
NOX	Nitrogen Oxides	9.626
ROG	Reactive Organic Gases	17.556
SOX	Sulfur Oxides	0.429
TSP	Total Suspended Particulates	0.242

### **Toxic Pollutants (pounds/year) Annual Reported Emissions for Reporting Period 2010**

Pollutant ID	Pollutant Description	Annual Emissions
7664417	Ammonia	250.396
71432	Benzene	356.074
50000	Formaldehyde	0.796
91203	Naphthalene	1.063
1151	PAHs, total, with components not reported	0.006

### Health Risk from Toxic Air Contaminants

The facility is subject to review by the Air Toxics Information and Assessment Act (AB2588). A Health Risk Assessment (HRA) was performed and approved by the AQMD in 2000 with the following results:

Maximum Individual Cancer Risk (MICR): 2.75 in one million

Hazard Index (HI), Acute: 0.0

Hazard Index (HI), Chronic: 0.01

### **8. Compliance History**

This facility is subject to both self-reporting requirements and AQMD inspections. In the last two years, the facility has had no citizen complaints filed and has had no Notices to Comply or Notices of Violation issued.

### **9. Compliance Certification**

By virtue of the Title V permit application and issuance of this permit, the reporting frequency for compliance certification for the facility shall be annual.

### **10. Comments**

The proposed renewal and change of ownership updates the contact information in Section A, updates facility-wide permit conditions and other equipment specific emission requirements, incorporates requirements of 40 CFR Part 64 (Compliance Assurance Monitoring or “CAM”), includes a modified Rule 462 Compliance Plan and new Rule 463 Compliance Plan in Section I, updates the applicable rule table in Section K and updates emission limits in Appendix B.