

Enclosure

**EPA Comments on the Proposed Title V Permit for the Edgington Refinery
(ID 800264)**

The District responses included in italics below were included in an email to EPA on January 23, 2008.

1. Alternative Monitoring Plan

Please attach the alternative monitoring plan, dated May 5, 2006, that fulfills the requirements from NSPS Subpart J, CFR § 60.104(a)(1) and 40 CFR § 60.105(a)(3), for two refinery gas streams routed to device D38 to the permit.

District response:

An AMP condition, D90.1, has been added to Section H of the proposed permit for device D38. A copy of the AMP will be attached to the statement of basis.

D90.1 The operator shall periodically monitor the H₂S concentration at the inlet of this device according to the following specifications:

The Alternative Monitoring Plan (AMP) approved by the United States Environmental Protection Agency (USEPA) in 2006 for the periodic monitoring and reporting of H₂S concentration for refinery gas stream to B-501 (FGCD B-501)

In addition, the operator shall also comply with all other applicable requirements of the AMP issued by the USEPA in 2006 for B-501 (FGCD B-501)

[40CFR60 Subpart A, 4-9-1993; 40CFR 60 Subpart AA, 6-7-1985]

2. NESHAP Applicability

Page seven of the statement of basis states that “The Edgington facility does not emit hazardous pollutants listed in the regulations that exceeds the thresholds individually or collectively.” Please include in the statement of basis a list of the facility’s potential to emit for all regulated HAPS and a comparison to the applicable single and total HAPS thresholds: 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants as defined in 40 CFR § 63.2.

District response:

In Section 8 of the statement basis, under Summary of Emissions and Health Risks segment, the HAPs emissions (individual species and total) will be

identified in Table 8.2 Toxic Air Contaminants Emissions, to demonstrate that the facility is not a major source of HAPs.

The District has also received Edgington's PTE for HAPs, and will include these numbers in the final SOB.

3. Alternative Operating Scenarios

Is there an alternate operating scenario or emergency plan when device D38, to which all refinery fuel gases are being routed, fails? Please describe the contingency measures in place to handle emissions, including SOx, in these situations.

District Response:

According to Edgington, when the Incinerator goes down, it is considered a breakdown situation. In this situation, Edgington needs time to shutdown, and may need to send the gas to refinery heaters after caustic treating for a short time.

EPA Amended Comment:

Based on the response from the district above, EPA requested the following additional information about the breakdown scenario for device D38.

- a) Please discuss how breakdowns for D38 are recorded and reported. Also discuss how refinery fuel streams would have gone to this heater are tracked and recorded during such breakdowns.

District Response:

District has requested the refinery to provide this information and will provide further details of the operation of device D39 in our final responses letter to EPA's comments.

- b) Since the other heaters that would burn the refinery fuel gas during such a breakdown are only permitted to burn natural gas, the District should determine whether or not a condition should be added to the permit to allow these heaters to burn refinery fuel gas during times of breakdown.

District Response:

District will evaluate if a permit condition is required for other heaters to accept refinery fuel gas during an upset condition for device D38. If deemed required, the district will add a condition prior to the issuance of the final permit.

- c) Also, since these heaters are avoiding requirements of NSPS J by being permitted to only burn natural gas, the District should determine whether or

not burning refinery fuel gas during breakdowns affects the applicability of certain NSPS Subpart J requirements to these heaters.

District Response:

When Edgington's processes are operating properly, all gases are directed towards B-501 (D38). The only time that the fuel gas would need to be disposed in other heaters, according to Edgington, is if there is breakdown of B-501 (D-38) and would require shutdown of the facility. Because it takes time to shutdown, the gases still in the system need to be routed to another combustion device. Normally, in other facilities, the gases would be directed to onsite flares, but Edgington does not have flares at its facility to handle process upsets. Thus, Edgington's scenario fits the definition of "Process upset gas" and, therefore, does not subject the other heaters to the requirements of Subpart J.

4. Notices of Violation and Notices to Comply

The FIND database lists seven notices of violation since August 1, 2005, whereas the statement of basis states that there were six during this time period. Please correct this discrepancy in the statement of basis.

The FIND database also lists two notices to comply since August 1, 2005, whereas the statement of basis states that there was one during this time period. Please correct this discrepancy in the statement of basis.

District Response:

Based on the EPA's comment, the District has requested the facility inspector to provide the most accurate count of the number of NOVs. If correction needs to be made, the District will revise the statement of basis, and update the website to reflect the current compliance status of the facility.

5. Compliance Assurance Monitoring

The statement of basis for the permit states that the Title V permit application for the Edgington refinery was submitted prior to April 20, 1998 but does not specify whether the District determined application completeness before that date. Please specify whether the District determined that the Title V application was complete before April 20, 1998. If the application was determined complete after this date, Edgington must submit a CAM plan to the District for approval and the permit must contain the requirements of the approved CAM plan.

The CAM regulations require that facilities with large pollutant-specific emissions units (PSEU), as defined in 40 CFR § 64.1, submit CAM plans for these units as part of an application for an initial part 70 or 71 permit if the application had not been filed or was not yet determined to be complete by the permitting authority on

or before April 20, 1998. Applications determined to be complete before April 20, 1998 are not required to submit CAM plans until the time of Title V permit renewal

District Response:

The District will incorporate language in the statement of basis to indicate that Edgington's Title V application was deemed complete on March 24, 1998. Edgington, therefore, does not have to submit applicable CAM plans until its Title V renewal.

6. Periodic Monitoring

Clarify the reasons that conditions D332.1 and D332.2 include less specific requirements for periodic monitoring than conditions D328.1 and D328.3.

District Response:

Condition D332-1 and D332-2 are for small sources (ICE and 5 mmBtu/hr heater), and as such include less specific requirements for periodic monitoring than condition D328-1 and D328-3 which are for large sources.

7. NSPS Subpart J

- a) All citations to the requirements of NSPS Subpart J throughout the permit cite to a date of October 4, 1991. However, NSPS Subpart J has been modified several times since then, most recently on June 24, 2008 (73 FR 35837). The permit should reflect, and require compliance with, the most recently promulgated version of NSPS Subpart J. Please update all citations, including citations in Section D, Section H, and Section K prior to finalizing this permit. Please also correct these citations in subsequent refinery permits that are proposed for EPA review.

District Response:

The District will update all devices tagged as subject to Subpart J with the latest amendment date for Subpart J.

- b) Boiler/Incinerator B-501 (Device 38) is referenced in the statement of basis and in condition S15.1 on page 54 of section D and page 9 of section H, and is included in the table in section H on page 2. Please revise the statement of basis and the table entry in section H to provide a consistent definition of unit D38 with condition S15.1.

District Response:

Boiler B-501 (D38) currently has a permit to construct, and the conditions for D38 are in Section H of the permit.

The reference to “incinerator” in condition S15.1 will be removed prior to the issuance of the final Title V permit. Although Edgington has requested that the boiler be changed to boiler/incinerator, its request is still pending approval. As soon as the status change is approved, the District will change the boiler to a boiler/incinerator.

- c) Emissions units D179 and D187 list process gas or refinery gas in the description in the device tables in section D. Please provide a consistent description of the fuel for these units in the statement of basis and the permit. If the permit conditions pertaining to these units at the time of permit issuance still allows for refinery fuel gas to be burned, include all applicable requirements in the permit, including NSPS Subpart J.

District Response:

D179 was part of the facility project to convert all heaters to run on natural gas and reroute all refinery gas to B-501 (D38) around 1996. During that time, D179 was also converted to natural gas. However, no application was submitted to make this change, and thus, this language did not get incorporated into the permit. The district will remove “refinery gas” from this device description prior to issuing the final Title V permit. Please note that this device is already listed in the non-applicability Table 4.1 of the SOB.

As for combustion device, D187, the District will remove “refinery” gas from the burner description. This device will be added to the non-applicability Table 4.1 of the SOB.

- d) The statement of basis (page 4) does not include heater D193 in the list of heaters that only burn natural gas, even though the permit lists natural gas as the only fuel for this unit. Similarly, heater D179 is listed in the statement of basis as only burning natural gas, but the description of this heater in section D still lists refinery gas as a fuel. Revise the statement of basis or the permit to indicate the fuel that these heaters are using.

District Response:

The District will revise the statement of basis by adding D193 to the list of combustion devices that burn only natural gas. For D179, please see response 7c.

8. NSPS Subparts GGG and GGGa

The permit or statement of basis must clarify whether NSPS Subpart GGG applies to D202. The documents do not discuss whether the emission unit is subject to the regulation. If NSPS Subpart GGG, the permit must specify that the units are subject to the regulation.

District Response:

D202 is the device number assigned to the central compressor for Edgington’s vapor recovery system. The District’s analysis shows that the VRS is subject to Subpart GGG. The District will therefore add D202 to the list of devices subject to H23.13.

9. NSPS Subpart UU

- a) The permit or statement of basis must clarify whether the emission units in the table below are subject to NSPS Subpart UU. The documents do not discuss whether these emission units are subject to the regulation. If NSPS Subpart UU applies to any of the units listed below, the permit must specify that the units are subject to the regulation and must include the applicable requirements that apply to the units.

Emission Unit	Device No.	Process Name	Process	System	PTC date
Still	D21	Asphalt oxidizing	2	1	--
Still	D26	Asphalt oxidizing	2	2	--
Still	D28	Asphalt oxidizing	2	3	--
Still	D31	Asphalt oxidizing	2	4	--
Still	D33	Asphalt oxidizing	2	5	--
Still	D36	Asphalt oxidizing	2	6	--
Caustic Scrubber	C376	Asphalt oxidizing	2	7	Not given in permit

District Response:

Edgington indicates that the stills were constructed in 1950’s. Since their construction, the stills have not been modified to trigger Subpart UU. C376 is fuel gas treating system. Its sole purpose is to remove H₂S from the fuel to meet Subpart J standards before the fuel is burned in D38. The scrubber was constructed in 2005. It was not installed for controlling emission from stills under NSPS Subpart UU, and thus, is not subject to these standards. The District will therefore revise the statement of basis to indicate that Subpart UU is not applicable to the stills and the caustic scrubber.

- b) Storage tanks D117, D118, D119, D120, D121, D122, D123, D126 and D127 are listed in table 4.2 of the statement of basis; however, the storage tanks are not listed in the permit and must be included in the permit.

District Response:

All referenced device numbers are for the same equipment, D128. The devices have been removed from the permit and will also be removed from the statement of basis.

10. NESHAP LLLLL

According to the statement of basis, Edgington operates as a “topping refinery,” using distillation to separate crude oil into asphalt, which it sells as its primary product. Several asphalt operations are performed in Edgington, including asphalt oxidation, blending, loading (single position and 2-position), and storage and the facility is subject to NSPS UU, Standards of Performance for Asphalt Processing and Asphalt Roofing Manufacture. Please include an applicability determination for NESHAP LLLLL, Asphalt Processing and Asphalt Roofing Manufacturing, in the statement of basis.

District Response:

The SCAQMD will provide a tabulated summary of HAPs emissions (actual and PTE) in Table 8.2 in Section 8 of the Statement of Basis to demonstrate that the Edgington facility is not a Major Source of HAPs. As such, NESHAP LLLLL is not applicable and this negative determination will be included in the Statement of Basis under the list of non-applicable NESHAPs listed at the end of Section 4.

11. Statement of Basis: Completeness and Clarifications

Please specify in the statement of basis the where the intermediate distillates from the Edgington refinery are transported and processed. Also, please clarify whether the facility in which intermediate distillates from the Edgington refinery are transported and processed is part of the same stationary source or is a support facility of the Edgington refinery.

EPA thanks the District for the information in their response given below, but notes that the response does not constitute a determination of whether or not the Edgington is a support facility to Paramount, or vice versa, as described in guidance EPA previously provided. The District has previously agreed to perform such support facility determinations for facilities that are related to the refineries by July 31, 2009. We therefore expect to see a determination for Edgington and Paramount at that time.

District Response

The two refineries are separate facilities located in different cities and located miles apart from each other. Each commenced operations many decades ago and for many years have been competitors. We believe this should mean that the two refineries are separate sources. It is only recently, starting in 2006, that there has been any corporate connection between the two companies. In 2006, the two companies were purchased by Alon USA. Although they have a common parent, the two refineries continue to function independently. As is the case with nearly all Southern California refineries, materials can move between

Edgington and Paramount by pipeline, and the two refineries do exchange intermediate products.

The Edgington refinery's primary product is asphalt, all of which is sold to third parties. At this time, it is more economically advantageous for the Edgington refinery to ship the majority of its intermediate products including diesel and full range naphtha (except for gasoil, which is sold to third parties) to Paramount for further processing; however there is an independent market for these materials that Edgington may sell to when it is more economically attractive.

Based on above discussion, we do not believe that Edgington is a support facility for Paramount, and vice versa.

12. Other general comments

- a) Condition S18.1 states that Process 3 System 4 (refinery fuel gas treating system) receives gases routed from specifically listed processes and systems, but also specific devices identified in the “connected to” column. There are no devices listed in the “connected to” column of Process 3 System 4. Please revise the condition or the “connected to” column to be consistent and reflect the actual operations.

District Response:

For the Edgington refinery, no other devices vent to the fuel gas treatment system (Process 3, System 4) except for the one listed in S18.1. The District uses S18.1 for processes and systems that have pressure relief devices and vents from knockout pots or process lines that vent to a control system. In this case, the District imposed the condition on System 3 of Process 4 that gases vented cannot be released to the atmosphere, but must be directed to the air pollution control equipment. This convention is used because the number of vents and PRDs are too numerous to be incorporated as individual devices.

- b) Please clarify condition K40.1 (Section H, page 40) to indicate what source tests are being referred to.

District Response:

The District uses K40.1 to further clarify testing conditions. The specific source testing methods are under D297.1, D323.1, and D328.1.