



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

January 1, 2012

Kristin Wisdom
Superintendent of Env. Affairs
ConocoPhillips Company (800362)
1520 E Sepulveda Blvd
Carson, CA 90745

Dear Kristin Wisdom:

Enclosed is your Facility Permit for Compliance Year 2012 (January 1, 2012 through December 31, 2012).

This reissuance is an Administrative Permit Revision to your Title V Facility Permit and only includes Section B (RECLAIM Annual Emission Allocations) in accordance with Rule 2002(b)(4).

Please review the enclosed permit sections carefully, as they will be part of your official Facility Permit. The permit changes are stated below. Please note that the South Coast Air Quality Management District (AQMD) rules allow you to appeal the terms and conditions of any sections of the enclosed Facility Permit by petitioning the Hearing Board within thirty days of receipt of the permit.

You have recently been sent an invoice for the annual operating renewal fee for your facility permit. This must be paid on or before the due date indicated on the invoice or your facility permit will expire due to non-payment of fees.

A. Facility Permit

The enclosed sections of the Facility Permit contain changes described as follows:

1. The revision number and dates of the Title Page and the Table of Contents have been updated to reflect the reissuance of the enclosed permit sections.
2. Section B – RECLAIM Annual Emission Allocation
Section B has been updated to reflect all approved RECLAIM Trading Credits transactions that have occurred during Compliance Year 2011. In addition, we may have incorporated the revisions associated with your requested changes or our review of your allocations. In such cases, your facility was previously informed of these revisions in a separate letter. Please be aware that additional allocation changes may occur as a result of last year's audit.

B. Appeals

As previously mentioned, if you determine that certain changes or clarifications need to be made to any sections of the enclosed sections, you may appeal the terms and conditions by petitioning the Hearing Board within thirty days of receipt of the enclosed sections. If you determine there are administrative errors in these permit sections, please notify AQMD staff within thirty days of receipt of your permit sections. Your facility is still bound by the requirements of your entire Facility Permit while your appeal is under consideration by AQMD staff and/or Hearing Board.

Any comments or questions regarding your RECLAIM Facility Permit may be directed to Mr. Tran Vo, Air Quality Analysis and Compliance Supervisor at (909) 396-2579.

Sincerely,



Jay Chen, P.E.
Senior A.Q. Engineering Manager
Refinery and Waste Management Permitting

JC:LW
Enclosure

cc: Gerardo C. Rios, USEPA (via email to R9AirPermits_SC@epa.gov)
Edwin Pupka, Compliance, SCAQMD
Application File(s)
Central Permit File



FACILITY PERMIT TO OPERATE

**CONOCOPHILLIPS COMPANY
1520 E SEPULVEDA BLVD
CARSON, CA 90745**

NOTICE

IN ACCORDANCE WITH RULE 206, THIS PERMIT TO OPERATE OR A COPY THEREOF MUST BE KEPT AT THE LOCATION FOR WHICH IT IS ISSUED.

THIS PERMIT DOES NOT AUTHORIZE THE EMISSION OF AIR CONTAMINANTS IN EXCESS OF THOSE ALLOWED BY DIVISION 26 OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA OR THE RULES OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. THIS PERMIT SHALL NOT BE CONSTRUED AS PERMISSION TO VIOLATE EXISTING LAWS, ORDINANCES, REGULATIONS OR STATUTES OF ANY OTHER FEDERAL, STATE OR LOCAL GOVERNMENTAL AGENCIES.

Barry R. Wallerstein, D. Env.
EXECUTIVE OFFICER

By 
Mohsen Nazemi, P.E.
Deputy Executive Officer
Engineering & Compliance



FACILITY PERMIT TO OPERATE CONOCOPHILLIPS COMPANY

TABLE OF CONTENTS

| Section | Description | Revision # | Date Issued |
|----------|--|-----------------|-------------|
| A | Facility Information | 10 | 04/14/2010 |
| B | RECLAIM Annual Emission Allocation | 23 | 01/01/2012 |
| C | Facility Plot Plan | TO BE DEVELOPED | |
| D | Facility Description and Equipment Specific Conditions | 22 | 12/09/2011 |
| E | Administrative Conditions | 9 | 11/07/2008 |
| F | RECLAIM Monitoring and Source Testing Requirements | 8 | 11/07/2008 |
| G | Recordkeeping and Reporting Requirements for RECLAIM Sources | 8 | 11/07/2008 |
| H | Permit To Construct and Temporary Permit to Operate | 34 | 12/09/2011 |
| I | Compliance Plans & Schedules | 9 | 04/14/2010 |
| J | Air Toxics | 6 | 06/12/2009 |
| K | Title V Administration | 6 | 06/12/2009 |
| Appendix | | | |
| A | NOx and SOx Emitting Equipment Exempt From Written Permit Pursuant to Rule 219 | 7 | 11/07/2008 |
| B | Rule Emission Limits | 5 | 11/07/2008 |



FACILITY PERMIT TO OPERATE CONOCOPHILLIPS COMPANY

SECTION B: RECLAIM ANNUAL EMISSION ALLOCATION

The annual allocation of NO_x RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. Total NO_x emission shall not exceed such annual allocations unless the operator obtains RTCs corresponding to the facility's increased emissions in compliance with Rules 2005 and 2007.

The level of Starting Allocation plus Non-Tradable Credits used to determine compliance with Rule 2005(c)(4) and applicability of Rule 2005(e) - Trading Zone Restrictions is listed on the last page of this Section.

The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)

| Year | | Zone | NO _x RTC Initially Allocated | NO _x RTC ¹ Holding as of 01/01/2012 (pounds) | Non-Tradable ² Non-Usable RTCs (pounds) |
|-----------------------|---------|---------|---|---|---|
| Begin (month/year) | End | | | | |
| 7/2009 | 6/2010 | Coastal | 0 | 0 | 0 |
| 1/2010 | 12/2010 | Coastal | 295902 | 49435 | 29204 |
| 7/2010 | 6/2011 | Coastal | 0 | 310000 | 0 |
| 1/2011 | 12/2011 | Coastal | 295902 | 473420 | 38939 |
| 1/2012 | 12/2012 | Coastal | 295902 | 279420 | 38939 |
| 1/2013 | 12/2013 | Coastal | 295902 | 279420 | 38939 |
| 1/2014 | 12/2014 | Coastal | 295902 | 279420 | 38939 |
| 1/2015 | 12/2015 | Coastal | 295902 | 279420 | 38939 |
| 1/2016 | 12/2016 | Coastal | 295902 | 279420 | 38939 |
| 1/2017 | 12/2017 | Coastal | 295902 | 279420 | 38939 |
| 1/2018 | 12/2018 | Coastal | 295902 | 279420 | 38939 |
| 1/2019 | 12/2019 | Coastal | 295902 | 279420 | 38939 |
| 1/2020 | 12/2020 | Coastal | 295902 | 279420 | 38939 |
| 1/2021 | 12/2021 | Coastal | 295902 | 279420 | 38939 |
| 1/2022 | 12/2022 | Coastal | 295902 | 279420 | 38939 |
| 1/2023 | 12/2023 | Coastal | 295902 | 279420 | 38939 |
| 1/2024 | 12/2024 | Coastal | 295902 | 279420 | 38939 |

Footnotes:

1. This number may change due to pending trades, emissions reported under Quarterly Certification of Emissions Report (QCER) and Annual Permit Emission Program (APEP) Report required pursuant to Rule 2004, or deductions made pursuant to Rule 2010(b). The most recent total RTC information can be obtained from the District's RTC Listing.
2. The use of such credits is subject to restrictions set forth in paragraph (f)(1) of Rule 2002.



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|-----------------------------------|---------|---|---|---|
| 1/2025 12/2025 | Coastal | 295902 | 279420 | 38939 |
| 1/2026 12/2026 | Coastal | 295902 | 279420 | 38939 |
| 1/2027 12/2027 | Coastal | 295902 | 279420 | 38939 |

Footnotes:

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The annual allocation of SO_x RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. Total SO_x emission shall not exceed such annual allocations unless the operator obtains RTCs corresponding to the facility's increased emissions in compliance with Rules 2005 and 2007.

The level of Starting Allocation plus Non-Tradable Credits used to determine compliance with Rule 2005(c)(4) and applicability of Rule 2005(e) - Trading Zone Restrictions is listed on the last page of this Section.

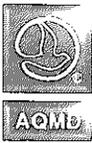
The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)

| Year | | Zone | SO _x RTC Initially Allocated | SO _x RTC ¹ Holding as of 01/01/2012 (pounds) | Non-Tradable ² Credits (NTCs) (pounds) |
|-----------------------|---------|---------|---|---|--|
| Begin (month/year) | End | | | | |
| 7/2009 | 6/2010 | Coastal | 0 | 0 | |
| 1/2010 | 12/2010 | Coastal | 132526 | 106285 | |
| 7/2010 | 6/2011 | Coastal | 0 | 260000 | |
| 1/2011 | 12/2011 | Coastal | 132526 | 431835 | |
| 1/2012 | 12/2012 | Coastal | 132526 | 431835 | |
| 1/2013 | 12/2013 | Coastal | 132526 | 315758 | |
| 1/2014 | 12/2014 | Coastal | 132526 | 277065 | |
| 1/2015 | 12/2015 | Coastal | 132526 | 277065 | |
| 1/2016 | 12/2016 | Coastal | 132526 | 277065 | |
| 1/2017 | 12/2017 | Coastal | 132526 | 238373 | 38692 |
| 1/2018 | 12/2018 | Coastal | 132526 | 238373 | 38692 |
| 1/2019 | 12/2019 | Coastal | 132526 | 211297 | 65768 |
| 1/2020 | 12/2020 | Coastal | 132526 | 211297 | |
| 1/2021 | 12/2021 | Coastal | 132526 | 211297 | |
| 1/2022 | 12/2022 | Coastal | 132526 | 211297 | |
| 1/2023 | 12/2023 | Coastal | 132526 | 211297 | |
| 1/2024 | 12/2024 | Coastal | 132526 | 211297 | |

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|-----------------------|---------|---------|---|---|--|
| Begin (month/year) | End | | | | |
| 1/2025 | 12/2025 | Coastal | 132526 | 211297 | |
| 1/2026 | 12/2026 | Coastal | 132526 | 211297 | |
| 1/2027 | 12/2027 | Coastal | 132526 | 211297 | |

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The annual allocation of RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. If the facility submits a permit application to increase in an annual allocation to a level greater than the facility's starting Allocation plus Non-Tradable credits as listed below, the application will be evaluated for compliance with Rule 2005(c)(4). Rule 2005(e) - Trading Zone Restrictions applies if an annual allocation is increased to a level greater than the facility's Starting Allocation plus Non-Tradable Credits:

| Year Begin End (month/year) | Zone | NOx RTC Starting Allocation (pounds) | Non-Tradable Credits(NTC) (pounds) |
|-----------------------------------|---------|--|--|
| 1/1994 12/1994 | Coastal | 1292790 | 0 |



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| Year | | Zone | SOx RTC | Non-Tradable |
|--------------|---------|---------|---------------------|--------------|
| Begin | End | | Starting Allocation | Credits(NTC) |
| (month/year) | | | (pounds) | (pounds) |
| 1/1994 | 12/1994 | Coastal | 486168 | 0 |