

South Coast Air Quality Management District

Statement of Basis

Proposed Renewal of Title V Permit

May 29, 2012

Facility Name: Valero Wilmington Asphalt Plant
Facility ID: 800393
SIC Code: 2911
Equipment Location: 1651 Alameda St.
Wilmington, CA 90744

Application #(s): 531963
Application Submittal Date(s): 01/17/2012

Permit Revision #: 23
Revision Date: DRAFT
Permit Section(s) Affected: All

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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, NO₂, SO₂, and lead are in attainment with federal standards. The status for PM-2.5 is nonattainment, the status for PM-10 is serious nonattainment and the status for ozone is currently extreme nonattainment.

A Title V permit is proposed to be renewed to cover the operations of Valero Wilmington Asphalt Plant located at 1651 Alameda St., Wilmington, California. This facility is subject to Title V requirements because it is a major source and is subject to certain NSPS (New Source Performance Standards) requirements.

2. Facility Description

This is an existing facility that is applying for a Title V permit renewal. The Valero Wilmington Asphalt Plant is owned and operated by Valero Refining Company – California. The refinery is a “topping refinery” that utilizes distillation to separate crude oil into asphalt, which is the primary product for the refinery, and intermediate distillates such as naphtha, kerosene, and gas oil distillates. The intermediate products are sold to other refineries for further processing. The refinery does not produce any motor fuels. The asphalt is used primarily in the paving and construction industries.

Primary processing equipment at the refinery includes atmospheric and vacuum distillation columns. The refinery operates two heaters and two boilers. Onsite loading/unloading racks and internal floating roof and fixed roof storage tanks are utilized for the transport and storage of the crude oil, asphalt, gas oil, kerosene and naphtha. Additional operations at the refinery include a fuel gas treating system, a naphtha Mercox treating unit and a wastewater treatment system.

3. Construction and Permitting History

The facility has been in constant operation since 1979. Numerous permits to construct and permits to operate have been issued to the facility since 1979. An initial Title V permit was issued to the facility on 7/19/07 and eight subsequent revisions were issued as follows:

Revision Date	Permit Action	Section
January 1, 2008	Administrative Permit Revision to update RECLAIM Annual Emission Allocation	B
January 1, 2009	Administrative Permit Revision to update RECLAIM Annual Emission Allocation	B
November 10, 2009	Administrative Permit Revision to convert Permits to Construct to Permits to Operate	D & H
January 1, 2010	Administrative Permit Revision to update RECLAIM Annual Emission Allocation	B
May 21, 2010	Administrative Permit Revision to update NOx Allocation (deductions made based on Compliance Year 2005 Audit)	B
December 1, 2011	Minor Permit Revision to approve Rule 1166 Soil Mitigation Plan	I
January 1, 2012	Administrative Permit Revision to update RECLAIM Annual Emission Allocation	B
May 29, 2012	Administrative Permit Revision to update Rule 1173 Compliance Plan	I

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, Section D, E, and H 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. Other than selected recordkeeping and reporting requirements of 40 CFR Part 61, Subpart FF, the refinery is not subject to any NESHAP requirements.

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, Section D, F, H, 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 do not apply to any of the permitted emission sources at this facility since none of the emission units have pre-control potential emissions greater than a major source threshold.

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 2011

Pollutant	Emissions (tons/year)
CO	5.277
NOx	4.781
VOC	12.678
SOx	0.147
PM	0.624

Toxic Air Contaminants Emissions (TAC) Annual Reported Emissions for Reporting Period 2011

The Following TACs Were Reported	Emissions (lbs/yr)
1,3-Butadiene	0.000
Ammonia	529.232
Arsenic	0.011
Benzene	75.424
Beryllium	0.003
Cadmium	0.013
Chromium (VI)	0.029
Formaldehyde	2.547
Lead (inorganic)	0.066
Naphthalene	0.040
Nickel	0.127
PAHs, total, with components not reported	0.828

Health Risk from Toxic Air Contaminants

The refinery has been exempt from the Air Toxics Information and Assessment Act (AB2588 program) because of its low priority score.

8. Compliance History

As noted, the refinery has been in constant operation since 1979. The refinery has been subject to both self-reporting requirements and AQMD inspections. The refinery has had no citizen complaints filed, no Notice to Comply issued, and 2 Notices of Violation issued since January 1, 2010. The refinery is currently in compliance with both notices.

9. Compliance Certification

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

10. Comments

There were no significant changes in this permit since the initial issuance of the Title V permit.