San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

JUL 08 2013

Martin Lundy
Chevron USA, Inc
PO Box 1392
Bakersfield, CA 93302

Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-2010
Project # S-1123906

Dear Mr. Lundy:

The Air Pollution Control Officer has modified the Title V permit for Chevron USA, Inc by incorporating S-2010-3-10. ATC S-2010-3-10 allowed the option of venting the vapor control system to the 31E Booster Station, listed all approved control devices in the equipment description, and modified the equipment description by replacing the wording "crude oil balance tank" with the more generic wording - "Crude oil storage tank".

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on October 23, 2012. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

for David Warner
Director of Permit Services

DW:sdd

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email

San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: S-2010-3-11 **EXPIRATION DATE:** 02/29/2016

SECTION: 29 **TOWNSHIP:** 32S **RANGE:** 24E

EQUIPMENT DESCRIPTION:
5,000 BBL FIXED ROOF CRUDE OIL STORAGE TANK "T-2" WITH VAPOR CONTROL SYSTEM SHARED WITH S-2010-8 AND '-9 DISCHARGED TO THE GAS SALES PIPELINE AND/OR THE 31E BOOSTER STATION (29D OIL CLEANING PLANT)

PERMIT UNIT REQUIREMENTS

1. The tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank. The vapor recovery system shall be APCO-approved, maintained in a leak-free condition, and capable of reducing VOC emissions by at least 99% by weight. [District NSR Rule] Federally Enforceable Through Title V Permit
2. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District NSR Rule and 2520, 9.3.2] Federally Enforceable Through Title V Permit
3. The permittee shall maintain records of number and type of components installed. Permittee shall update such records when new components are installed. Compliance with permitted VOC emissions shall be calculated from the permittee's records of the number and type of components installed. [District NSR Rule] Federally Enforceable Through Title V Permit
4. Fugitive VOC emissions from component leaks shall be calculated using the EPA Protocol for Equipment Leak Emission Estimate, 1995, Table 2-4, Oil and Gas Production Operations Average Emission Factors. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Fugitive VOC emissions from component leaks shall not exceed 36.5 lb/day and 13,323 lb/yr. [District NSR Rule] Federally Enforceable Through Title V Permit
6. Except as otherwise provided in this permit, this tank shall be maintained in a leak-free condition. [District Rule 4623, 5.1.3] Federally Enforceable Through Title V Permit
7. Except as otherwise provided in this permit, any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623, 5.6.2] Federally Enforceable Through Title V Permit
8. Except as otherwise provided in this permit, all piping, valves, and fittings shall be constructed and maintained in a leak- free condition. [District Rule 4623, 5.6.3] Federally Enforceable Through Title V Permit
9. The operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

10. All piping, fittings, and valves shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the provisions of this permit. If any of the tank components are found to leak during an annual inspection, the inspection frequency for that component type shall be changed from annual to quarterly. If no tank components are subsequently found to be leaking during four consecutive inspections, the inspection frequency may be changed from quarterly to annual. Components located in inaccessible (over 15 feet above ground when access is required from the ground or over 6 feet away from a platform when access is required from the platform) locations shall be inspected at least annually and components located in unsafe areas shall be inspected and repaired upon detection. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

11. Upon detection of a liquid leak greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit

12. Upon detection of a gas leak, defined as a VOC concentration of greater than 10,000 ppmv measured in accordance with EPA Method 21, operator shall take one of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit

13. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit

14. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit

15. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If a component type is found to have no leak after four consecutive quarterly inspections, the operator may revert to annual inspections. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit

16. Any component found to be leaking on two consecutive annual inspections is in violation of District Rule 4623, even if covered under the voluntary inspection and maintenance program. [District Rule 4623, Table 3] Federally Enforceable Through Title V Permit

17. The operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit

18. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 4623] Federally Enforceable Through Title V Permit

19. Permittee shall conduct tank cleaning and maintenance operations in accordance with District approved procedure as described in this permit. [District Rule 4623] Federally Enforceable Through Title V Permit

20. Tank may be disconnected from vapor control system during District approved cleaning and maintenance procedures as described in this permit. [District Rule 4623] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

21. The permittee shall notify the APCO in writing at least three (3) days prior to performing tank degassing and interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank being degassed, 2) the date and time that tank degassing and cleaning activities will begin, 3) the degassing method, as allowed in this permit, to be used, 4) the method to be used to clean the tank, including any solvents to be used, and 5) the method to be used to dispose of any removed sludge, including methods that will be used to control emissions from the receiving vessel and emissions during transport. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

22. This tank shall be degassed before commencing interior cleaning by one of the following methods (1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosive limit (LEL), whichever is less; or (2) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water. or produced water derived from crude oil having a TVP less than 0.5 psia; or (3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

23. During tank degassing, the operator shall discharge or displace organic vapors contained in the tank vapor space to an APCO-approved vapor recovery system. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

24. To facilitate connection to an external APCO-approved recovery system, a suitable tank fitting, such as a manway, may be temporarily removed for a period of time not to exceed 1 hour. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

25. This tank shall be in compliance with the applicable requirements of District Rule 4623 at all times during draining, degassing, refilling the tank with an organic liquid, and maintenance operations. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

26. After a tank has been degassed pursuant to the requirements of this permit, vapor control requirements are not applicable until an organic liquid is placed, held, or stored in this tank. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

27. While performing tank cleaning activities, operators may only use the following cleaning agents: water, hot water, diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. The tank sediment may be used as road mix as allowed by Section 6.17 of District Rule 2020. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

28. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

29. During sludge removal from tanks containing organic liquids with a TVP of 1.5 psia or greater, the operator shall control emissions from the sludge receiving vessel by operating an APCO-approved vapor control device that reduces emissions of organic vapors by at least 95%. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

30. The permittee shall only transport removed sludge from tanks containing organic liquids with a TVP of 1.5 psia or greater in closed, liquid leak-free containers. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit

31. The permittee shall store removed sludge from tanks containing organic liquids with a TVP of 1.5 psia or greater, until final disposal, in vapor leak-free containers, or in tanks complying with the vapor control requirements of District Rule 4623. Sludge that is to be used to manufacture roadmix, as defined in District Rule 2020, is not required to be stored in this manner. Roadmix manufacturing operations exempt pursuant to District Rule 2020 shall maintain documentation of their compliance with Rule 2020, and shall readily make said documentation available for District inspection upon request. [District Rules 2020 and 4623, 5.7] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

32. The permittee shall maintain records of each period of cleaning and maintenance when the tank is disconnected or isolated from the vapor control system. Records shall include the date that tank cleaning was initiated, the date tank cleaning was completed, the procedure used to vent tank vapors prior to opening, the method of tank cleaning used, and a description of internal and external tank repairs and maintenance performed. Such records shall be retained for a period of at least 5 years and shall be made readily available for District inspection upon request. [District Rule 4623] Federally Enforceable Through Title V Permit

33. The operator shall maintain records of required monitoring data and support information for inspection at any time for a period of five years. The records shall be made readily available for District inspection upon request. [District Rules 2520, 9.4.2 and 4623, 6.3] Federally Enforceable Through Title V Permit