



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

MAY 24 2010

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

Re: **Notice of Minor Title V Permit Modification**
District Facility # C-311
Project # C-1101712

Dear Mr. Rios:

Enclosed for you to review is an application for minor Title V permit modification for the facility identified above. Chevron USA, Inc is proposing a Title V minor permit modification to incorporate the recently issued Authority to Construct C-311-237-0 into the Title V operating permit. The applicant proposes a routine replacement of one 10,200 BBL fixed roof crude oil storage tank with one 3,000 BBL fixed roof crude oil storage tank.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct C-311-237-0, emission increases, application, and previous Title V permit. Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061
www.valleyair.org

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

MAY 24 2010

Larry Landis
Chevron USA, Inc
P.O. Box 1392
Bakersfield, CA 93302

**Re: Notice of Minor Title V Permit Modification
District Facility # C-311
Project # C-1101712**

Dear Mr. Landis:

Enclosed is the District's analysis of your application for minor Title V permit modification for the facility identified above. You proposed a Title V minor permit modification to incorporate recently issued Authority to Construct C-311-237-0 into the Title V operating permit. The applicant proposes a routine replacement of one 10,200 BBL fixed roof crude oil storage tank with one 3,000 BBL fixed roof crude oil storage tank.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct C-311-237-0, emission increases, application, and previous Title V permit. This project will be subject to a 45-day EPA commenting period prior to the District taking final action.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

Enclosures

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TITLE V APPLICATION REVIEW

Minor Modification
Project #: C-1101712

Engineer: Jesse A. Garcia
Date: May 14, 2010

Facility Number: C-311
Facility Name: Chevron USA, Inc
Mailing Address: P.O. Box 1392
Bakersfield, CA 93302

Contact Name: Larry Landis
Phone: (661) 654-7141

Responsible Official: William R. Fall
Title: Health, Environment and Safety Manager

I. PROPOSAL

Chevron USA, Inc is proposing a Title V minor permit modification to incorporate the recently issued C-311-237-0 into the Title V operating permit. The applicant proposes a routine replacement of one 10,200 BBL fixed roof crude oil storage tank with one 3,000 BBL fixed roof crude oil storage tank.

The purpose of this evaluation is to identify all applicable requirements, determine if the facility will comply with the applicable requirements and to provide the legal and factual basis for the proposed revisions.

II. FACILITY LOCATION

The storage tank within this project is permitted to operate at the facility site near Coalinga, Section 36A, Township 19S, and Range 15E.

III. EQUIPMENT DESCRIPTION

C-311-237-0: TANK #T-7: 126,000 GALLON (3,000 BBL) FIXED ROOF CRUDE OIL STORAGE/WASH TANK (30'D X 24'H) WITH PV VALVE.

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is considered to be a minor modification and, as such, requires no public review.

V. APPLICABLE REQUIREMENTS

District Rule 2520, Federally Mandated Operating Permits (Adopted June 21, 2001)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

Chevron USA, Inc is proposing to modify their oil field production operations with the routine replacement of one 10,200 BBL (428,000 gallon) fixed roof crude oil storage tank with one 3,000 BBL (126,000 gallon) fixed roof crude oil storage tank.

C-311-237-0

ATC C-311-237-0 is a routine replacement for permit unit C-311-192 and is also a new permit unit; therefore, there is no existing Title V PTO that it will be modifying. Condition #1 of the ATC was deleted as permit unit C-311-192 will be surrendered to the District. Conditions #3 and #4 from the ATC were deleted as those conditions are on the facility-wide permit. No other changes were made to the ATC.

VII. COMPLIANCE

In accordance with Rule 2520, 3.20, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;
2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include;

- a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
 6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of section 11.4 by including;

1. A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
2. The source's suggested draft permit; and
3. Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used.

VIII. ATTACHMENTS

- A. Proposed Modified Title V Operating Permit No. C-311-237-1
- B. Authority to Construct No. C-311-237-0
- C. Emissions Increases
- D. Application
- E. Previous Title V Operating Permit No. C-311-192-1

ATTACHMENT A

Proposed Modified Title V Operating Permit No.
C-311-237-1

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: C-311-237-1

EXPIRATION DATE: 12/31/2005

EQUIPMENT DESCRIPTION:

TANK #T-7: 126,000 GALLON (3,000 BBL) FIXED ROOF CRUDE OIL STORAGE/WASH TANK (30'D X 24'H) WITH PV VALVE

PERMIT UNIT REQUIREMENTS

1. VOC emission rate from the tank shall not exceed 310.9 lb/day, based on a monthly average. [District Rule 2201] Federally Enforceable Through Title V Permit
2. The total daily throughput of oil shall not exceed 938 barrels (for combined storage and wash tank operation), based on a monthly average. [District Rule 2201 and 4623] Federally Enforceable Through Title V Permit
3. The total annual throughput of oil shall not exceed 180,000 barrels (for combined storage and wash tank operation). [District Rule 2201 and 4623] Federally Enforceable Through Title V Permit
4. The total daily throughput of oil and water combined shall not exceed 5,811 barrels (for combined storage and wash tank operation), based on a monthly average. [District Rule 2201 and 4623] Federally Enforceable Through Title V Permit
5. The total annual throughput of oil and water combined shall not exceed 126,774 barrels (for storage operation only), based on a calendar year. [District Rule 2201 and 4623] Federally Enforceable Through Title V Permit
6. The tank shall be equipped with a fixed roof and maintained with no holes or openings. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Any tank gauging or sampling device shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 4623] Federally Enforceable Through Title V Permit
8. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201] Federally Enforceable Through Title V Permit
9. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623] Federally Enforceable Through Title V Permit
10. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623] Federally Enforceable Through Title V Permit
11. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

12. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623] Federally Enforceable Through Title V Permit
13. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623] Federally Enforceable Through Title V Permit
14. Permittee shall maintain monthly and annual records of average daily oil and water throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
15. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623] Federally Enforceable Through Title V Permit
16. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

DRAFT

ATTACHMENT B

Authority to Construct No.
C-311-237-0



AUTHORITY TO CONSTRUCT

PERMIT NO: C-311-237-0

ISSUANCE DATE: 10/16/2009

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL PRODUCTION
FRESNO COUNTY, CA

EQUIPMENT DESCRIPTION:
TANK #T-7: 126,000 GALLON (3,000 BBL) FIXED ROOF CRUDE OIL STORAGE/WASH TANK (30'D X 24'H) WITH PV VALVE (ROUTINE REPLACEMENT OF TANK C-311-192)

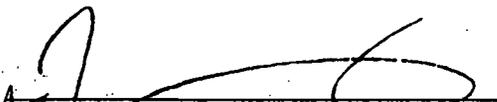
CONDITIONS

1. Within 90 days of startup of the equipment authorized by this Authority to Construct, Permit to Operate C-311-192-1 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [District Rule 2201]
2. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
3. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
5. VOC emission rate from the tank shall not exceed 310.9 lb/day, based on a monthly average. [District Rule 2201]
6. The total daily throughput of oil shall not exceed 938 barrels (for combined storage and wash tank operation), based on a monthly average. [District Rule 2201 and 4623]
7. The total annual throughput of oil shall not exceed 180,000 barrels (for combined storage and wash tank operation). [District Rule 2201 and 4623]
8. The total daily throughput of oil and water combined shall not exceed 5,811 barrels (for combined storage and wash tank operation), based on a monthly average. [District Rule 2201 and 4623]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Sayed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
C-311-237-0 - OCT 16 2009 1:32PM - GARCIAJ : Joint Inspection Required with GARCIAJ

9. The total annual throughput of oil and water combined shall not exceed 126,774 barrels (for storage operation only), based on a calendar year. [District Rule 2201 and 4623]
10. The tank shall be equipped with a fixed roof and maintained with no holes or openings. [District Rule 2201]
11. Any tank gauging or sampling device shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
12. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]
13. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623]
14. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623]
15. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623]
16. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]
17. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623]
18. Permittee shall maintain monthly and annual records of average daily oil and water throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rules 2201 and 4623]
19. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623]
20. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623]

ATTACHMENT C

Emissions Increases

	SSIPE (lb/yr)				
	NOx	VOC	CO	SOx	PM10
C-311-237-0 (routine replacement)	0	-1,117	0	0	0
TOTAL	0	-1,117	0	0	0

ATTACHMENT D

Application

Received

San Joaquin Valley Air Pollution Control District

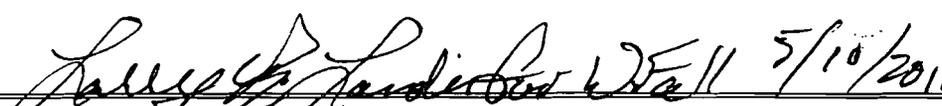
www.valleyair.org

MAY 11 2010

Permits Srvc
SJVAPCD

Permit Application For:

ADMINISTRATIVE AMENDMENT MINOR MODIFICATION SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: <u>CHEVRON U.S.A. INC.</u>	
2. MAILING ADDRESS: STREET/P.O. BOX: <u>PO Box 1392</u> CITY: <u>Bakersfield</u> STATE: <u>CA</u> 9-DIGIT ZIP CODE: <u>93302</u>	
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: STREET: <u>Coalinga Oil Field</u> CITY: _____ _____ ¼ SECTION <u>36A</u> TOWNSHIP <u>19S</u> RANGE <u>15E</u>	INSTALLATION DATE:
4. GENERAL NATURE OF BUSINESS: <u>Crude Oil Production and Explo\ration</u>	
5. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary) <u>Implementation of ATC C-311-237-0----routine replacement of tank C-311-192. (Tank #T-7.)</u>	
6. TYPE OR PRINT NAME OF APPLICANT: <u>William Fall</u>	TITLE OF APPLICANT: <u>SJVBU HES Manager</u>
7. SIGNATURE OF APPLICANT: 	DATE: <u>5/10/2010</u> PHONE: (661)654-7141 FAX: (661)654-7606 EMAIL: landilr@chevron.com

For APCD Use Only:

DATE STAMP	FILING FEE RECEIVED: \$ <u>0</u> CHECK#: _____
	DATE PAID: _____
	PROJECT NO: <u>C-1101712</u> FACILITY ID: <u>C-311</u>

**San Joaquin Valley
Unified Air Pollution Control District**

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I. TYPE OF PERMIT ACTION (Check appropriate box)

- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE
 MINOR PERMIT MODIFICATION AMENDMENT

COMPANY NAME: CHEVRON U.S.A. INC.	FACILITY ID: C - 311
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name:	
3. Agent to the Owner:	

II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):

- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:

William Fall
Signature of Responsible Official

5/11/10
Date

William Fall
Name of Responsible Official (please print)

SJVBU HES Manager
Title of Responsible Official (please print)

ATTACHMENT E

Previous Title V Operating Permit No.
C-311-192-1

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: C-311-192-1

EXPIRATION DATE: 12/31/2005

SECTION: 36 **TOWNSHIP:** 19S **RANGE:** 15E

EQUIPMENT DESCRIPTION:

TANK #T-7: 428,000 GALLON FIXED ROOF CRUDE OIL STORAGE TANK (55'D X 24'H). CAPACITY: 10,200 BBLS.

PERMIT UNIT REQUIREMENTS

1. Records of annual throughput of crude oil shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070, 2520, 9.4.2, and 9.5.2] Federally Enforceable Through Title V Permit
2. True vapor pressure of any organic liquid introduced to the tank shall not exceed 1.5 psia at liquid temperature. [District Rule 4623, 2.0 and 2010] Federally Enforceable Through Title V Permit
3. The operator shall determine the true vapor pressure of the petroleum liquid stored in the tank at least once per year in accordance with methods described in section 6.2 of District Rule 4623 (amended 12/17/92). Determinations shall be made annually during the summer and whenever there is a change in the source or type of petroleum entering the tank. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
4. The operator shall keep accurate records of types, storage temperature, and TVP of liquids stored to verify continued exemption from District Rule 4623 (amended 12/17/92). [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
5. As used in this permit, the term "source or type of petroleum" shall mean petroleum liquids with similar characteristics. The operator shall maintain records of the API gravity of petroleum liquids stored in this unit to determine which oils are from the Heavy Oil source. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.