Santa Barbara County
Air Pollution Control District

JUL 30 2010

Mr. Gerardo Rios
USEPA – Permits Office (AIR 3)
75 Hawthorne Street
San Francisco, CA 94105

FID: 03105
Permit: PM 08234 - 04
SSID: 01063

Re: Proposed Minor Permit Modifications to Venoco, Inc.'s Platform Holly Facility Part 70/APCD PTO 8234 R7

Dear Mr. Rios:

This letter transmits Proposed Minor Permit Modification /Permit to Operate (PM) 8234 04 for modifications to Part 70/APCD PTO 8234-R7. Included with the proposed permit is a copy of the application submitted by the applicant for this modification. We plan to issue this minor permit modification as final after September 20, 2010 provided your office has not objected to such issuance during this time interval.

If you have any questions, please contact Ben Ellenberger of my staff at (805) 961-8879.

Sincerely,

Michael Goldman, Manager
Engineering & Compliance Division

enc: Proposed PM 8234 04
Application forms for Minor Modifications to Venoco, Inc.'s Platform Holly Facility

cc: Platform Holly Facility 03105 Project File SC
ECD Chron File

Santa Barbara County
Air Pollution Control District

Permit to Operate Mod Number 8234 04
and
Part 70 Minor Modification Number 8234 04

EQUIPMENT OWNER:

Venoco, Inc 300900

EQUIPMENT OPERATOR:

Venoco, Inc.

EQUIPMENT LOCATION:

7979 Hollister Avenue; Goleta, CA 93117

STATIONARY SOURCE/FACILITY:

Venoco Ellwood Stationary Source SSID: 01063
Platform Holly FID: 03105

AUTHORIZED MODIFICATION:

This PTO Mod revises the oxygen sensor set point requirements and the fuel use monitoring requirements for the generator engines on Platform Holly. The permit allows fuel use to be recorded on a monthly, instead of a daily basis. Exemption 10406 required monthly fuel use records and Rule 333 does not specify a recordkeeping frequency for fuel use, so this PTO Mod is consistent with the previous requirements for these engines and satisfies the rule requirements.

It also changes the Monterey test trap vessel listed in the permit from V-105 to V-106. Both V-105 and V-106 are pressure vessels and are not subject to Rule 325.

It also authorizes an increase in the maximum pressure in the pig launchers before they are opened from 5 psig to 20 psig. The pig launchers are purged and bled down five times before they are opened after launches, so this increase in the maximum pressure results in a negligible increase in emissions.

EQUIPMENT DESCRIPTION:

The engines provide electrical power to run drilling equipment on Platform Holly. See Part 70/APCD Permit to Operate 8234-R7 for a complete equipment description.

PROJECT/PROCESS DESCRIPTION:

A complete process description of Holly operations may be found in the Part 70/APCD Permit to Operate 8234-R7 as well as in the APCD's administrative files.

CONDITIONS:

9.A *Standard Administrative Conditions*

The following federally-enforceable administrative permit conditions apply to Platform Holly:

A.1 **Compliance with Permit Conditions.**

(a) The permittee shall comply with all permit conditions in Sections 9.A, 9.B and 9.C.
(b) This permit does not convey property rights or exclusive privilege of any sort.
(c) Any permit noncompliance with sections 9.A, 9.B, or 9.C constitutes a violation of the Clean Air Act and is grounds for enforcement action; for permit termination, revocation and re-issuance, or modification; or for denial of a permit renewal application.
(d) It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
(e) A pending permit action or notification of anticipated noncompliance does not stay any permit condition.
(f) Within a reasonable time period, the permittee shall furnish any information requested by the Control Officer, in writing, for the purpose of determining:
  (i) compliance with the permit, or
  (ii) whether or not cause exists to modify, revoke and reissue, or terminate a permit or for an enforcement action.
(g) In the event that any condition herein is determined to be in conflict with any other condition contained herein, then, if principles of law do not provide to the contrary, the condition most protective of air quality and public health and safety shall prevail to the extent feasible.

[*Re: 40 CFR Part 70.6.(a)(6), APCD Rules 1303.D.1]*

A.2 **Emergency Provisions.** The permittee shall comply with the requirements of the APCD, Rule 505 (Upset/Breakdown rule) and/or APCD Rule 1303.F, whichever is applicable to the emergency situation. In order to maintain an affirmative defense under Rule 1303.F, the permittee shall provide the APCD, in writing, a "notice of emergency" within 2 working days of the emergency. The "notice of emergency" shall contain the information/documentation listed in Sections (1) through (5) of Rule 1303.F.9 [*Re: 40 CFR 70.6(g), APCD Rule 1303.F*]

A.3 **Compliance Plan.**

(a) The permittee shall comply with all federally-enforceable requirements that become applicable during the permit term in a timely manner.
(b) For all applicable equipment, the permittee shall implement and comply with any specific compliance plan required under any federally-enforceable rules or standards.

[*Re: APCD Rule 1302.D.2*]

A.4 **Right of Entry.** The Regional Administrator of USEPA, the Control Officer, or their authorized representatives, upon the presentation of credentials, shall be permitted to enter upon the premises where a Part 70 Source is located or where records must be kept:

(a) To inspect the stationary source, including monitoring and control equipment, work practices, operations, and emission-related activity;
(b) To inspect and duplicate, at reasonable times, records required by this Permit to Operate;
(c) To sample substances or monitor emissions from the source or assess other parameters to assure compliance with the permit or applicable requirements, at reasonable times. Monitoring of emissions can include source testing.

[*Re: APCD Rule 1303.D.2*]

A.5 **Severability.** The provisions of this Permit to Operate are severable and if any provision of this Permit to Operate is held invalid, the remainder of this Permit to Operate shall not be affected thereby. [*Re: APCD Rules 103 and 1303.D.1*]

A.6 **Payment of Fees.** The permittee shall reimburse the APCD for all its Part 70 permit processing and compliance expenses, including expenses associated with implementation of permit conditions incorporated pursuant to Abatement Order 99-6A, for the stationary source on a timely basis. Failure to reimburse on a timely basis shall be a violation of this permit and of applicable requirements and can result in forfeiture of the Part 70 permit. Operation without a Part 70 permit subjects the source to potential enforcement action by the APCD and the USEPA pursuant to section 502(a) of the Clean Air Act. [*Re: APCD Rules 1303.D.1 and 1304.D.11, 40 CFR 70.6(a)(7)*, AO 99-6A]

A.7 **Deviation from Permit Requirements.** The permittee shall submit a written report to the APCD documenting each and every deviation from the requirements of this permit or any applicable federal requirements within 7 days after discovery of the violation, but not later than 180 days after the date of occurrence. The report shall clearly document 1) the probable cause and extent of the deviation 2) equipment involved 3) the quantity of excess pollutant emissions if any, and 4) actions taken to correct the deviation. The requirements of this condition shall not apply to deviations reported to APCD in accordance with Rule 505. *Breakdown Conditions,* or Rule 1303.F *Emergency Provisions*. [*Re: APCD Rule 1303.D.1, 40 CFR 70.6(a) (3)*]

A.8 **Federally-enforceable Conditions.** Each federally-enforceable condition in this permit shall be enforceable by the USEPA and members of the public. None of the conditions in the APCD-only enforceable section of this permit are federally enforceable or subject to the public/USEPA review. [*Re: CAAA, § 502(b)(6), 40 CFR 70.6(b)*]

A.9 **Reporting Requirements/Compliance Certification.** The permittee shall submit compliance certification reports to the USEPA and the Control Officer every six months. These reports shall be submitted on APCD forms and shall identify each applicable requirement/condition of the permit, the compliance status with each requirement/condition, the monitoring methods used to determine compliance, whether the compliance was continuous or intermittent, and include detailed information on the occurrence and correction of any deviations (excluding emergency upsets) from permit requirement. The reporting periods shall be each half of the calendar year, e.g., January through June for the first half of the year. These reports shall be submitted by September 1 and March 1, respectively, each year. Supporting monitoring data shall be submitted in accordance with the "Semi-Annual Compliance Verification Report" condition in section 9.C. The permittee shall include a written statement from the responsible official, which certifies the truth, accuracy, and completeness of the reports. [*Re: APCD Rules 1303.D.1, 1302.D.3, 1303.2.c*]

A.10 **Recordkeeping Requirements.** The permittee shall maintain records of required monitoring information that include the following:

(a) The date, place as defined in the permit, and time of sampling or measurements;
(b) The date(s) analyses were performed;
(c) The company or entity that performed the analyses;
(d) The analytical techniques or methods used;
(e) The results of such analyses; and
(f) The operating conditions as existing at the time of sampling or measurement;

The records, as well as all supporting information including calibration and maintenance records, shall be maintained for a minimum of five (5) years from date of initial entry by the permittee and shall be made available to the APCD upon request.
[*Re: APCD Rule 1303.D.1.f, 40 CFR 70.6(a)(3)(ii)(A)*]

A.11 **Conditions for Permit Reopening.** The permit shall be reopened and revised for cause under any of the following circumstances:

(a) Additional Requirements: If additional applicable requirements (e.g., NSPS or MACT) become applicable to the source which has an unexpired permit term of three (3) or more years, the permit shall be reopened. Such a reopening shall be completed no later than 18 months after promulgation of the applicable requirement. However, no such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended. All such re-openings shall be initiated only after a 30 day notice of intent to reopen the permit has been provided to the permittee, except that a shorter notice may be given in case of an emergency.
(b) Inaccurate Permit Provisions: If the APCD or the USEPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emission standards or other terms or conditions of the permit, the permit shall be reopened. Such re-openings shall be made as soon as practicable.
(c) Applicable Requirement: If the APCD or the USEPA determines that the permit must be revised or revoked to assure compliance with any applicable requirement including a federally-enforceable requirement, the permit shall be reopened. Such re-openings shall be made as soon as practicable.

Administrative procedures to reopen a permit shall follow the same procedures as apply to initial permit issuance. Re-openings shall affect only those parts of the permit for which causes to reopen exist. If the permit is reopened, and revised, it will be reissued with the expiration date that was listed in the permit before the re-opening. [*Re: 40 CFR 70.7(f), 40 CFR 70.6(a)*]

9.B Generic Conditions

The generic conditions listed below apply to all emission units, regardless of their category or emission rates. These conditions are federally enforceable. Compliance with these requirements is discussed in Section 3. In case of a discrepancy between the wording of a condition and the applicable federal or APCD rule(s), the wording of the rule shall control.

B.1 **Circumvention (Rule 301).** A person shall not build, erect, install, or use any article, machine, equipment or other contrivance, the use of which, without resulting in a reduction in the total release of air contaminants to the atmosphere, reduces or conceals an emission which would otherwise constitute a violation of Division 26 (Air Resources) of the Health and Safety Code of the State of California or of these Rules and Regulations. This Rule shall not apply to cases in which the only violation involved is of Section 41700 of the Health and Safety Code of the State of California, or of APCD Rule 303. [*Re: APCD Rule 301*]

B.2 **Visible Emissions (Rule 302):** Venoco shall not discharge into the atmosphere from any single source of emission any air contaminants for a period or periods aggregating more than three minutes in any one hour which is:

(a) As dark or darker in shade as that designated as No. 1 on the Ringelmann Chart, as published by the United States Bureau of Mines, or
(b) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subsection B.2.(a) above.

For those sources listed in Condition 9.C.24, Venoco shall be in compliance with the requirements of this Rule in accordance with the monitoring and compliance recordkeeping procedures in Condition 9.C.26. [*Re: APCD Rule 302].* .

B.3 **Nuisance (Rule 303).** No pollutant emissions from any source at Venoco shall create nuisance conditions. No operations shall endanger health, safety or comfort, nor shall they damage any property or business. [*Re: APCD Rule 303*]

B.4 **PM Concentration - South Zone (Rule 305).** Venoco shall not discharge into the atmosphere, from any source, particulate matter in excess of the concentrations listed in Table 305(a) of Rule 305. [*Re: APCD Rule 305*]

B.5 **Specific Contaminants (Rule 309).** Venoco shall not discharge into the atmosphere from any single source sulfur compounds, carbon monoxide and combustion contaminants in excess of the applicable standards listed in Sections A, E and G of Rule 309. [*Re: APCD Rule 309*].

B.6 **Sulfur Content of Fuels (Rule 311).** Venoco shall not burn fuels with a sulfur content in excess of 0.5% (by weight) for liquid fuels and 239 ppmvd or 15 gr/100 scf (calculated as H_2S) for gaseous fuel. Compliance with the requirements pertaining to gaseous fuels shall be based on measurements of the in-plant fuel gas using continuous analyzers, sulfur detection tubes, ASTM, or other APCD-approved methods; and, compliance with the requirements pertaining to liquid fuels shall be based on diesel fuel billing records or other data showing the certified sulfur content for each shipment. [*Re: APCD Rule 311*]

9.C Equipment-Specific Conditions

The conditions below revise permit conditions 9.C.1(b), 9.C.1(d), 9.C.4(a), and 9 in PT-70/Reeval 8234 R7. All conditions and tables in the Part 70/Reeval 8234 R7 not addressed by this PTO Mod remain intact and in full force.

C.1 **Spark-Ignited Internal Combustion Engines.** The following equipment is included in this emissions unit category:

APCD ID No.	Venoco Equip ID No.	Name
009130	Generator No. 1	Caterpillar 803 hp G399 SITA
009131	Generator No. 2	Caterpillar 803 hp G399 SITA
009132	Generator No. 3	Caterpillar 1053 hp G3516 SITA
111856	Catalytic Converter No. 1	Miratech EQ-801 3-Way NSCR
111857	Catalytic Converter No. 2	Miratech EQ-801 3-Way NSCR
111858	Catalytic Converter No. 3	Miratech MCS-3030 3-Way NSCR

(b) Operational Limits: The following operational limits apply to each engine:

(i) Air/Fuel Ratio Controls: An air/fuel ratio controller shall be operated with each NSCR catalytic converter to ensure that the control equipment maintains the required removal efficiencies at all times. Venoco shall maintain the NSCR catalyst inlet oxygen content between 0.0% - 1.0% at all times when operating the generator. Compliance shall be based on maintaining the oxygen sensor output between 700 – 950 millivolts. Depending upon source testing results, the APCD may require that this range be decreased to ensure continuous compliant operations.

(ii) Fuel Sulfur Limit – Natural Gas: The total sulfur content (calculated as H_2S at standard conditions, 60 F and 14.7 psia) of the gaseous fuel burned at the facility shall not exceed 80 ppmvd (as H_2S). Venoco shall measure the sulfur content of the gaseous fuel monthly using Draeger tubes, or other APCD-approved devices.

(d) Recordkeeping: The following recordkeeping conditions apply to each engine:

(i) Operating Hours: A log shall be maintained that details the number of operating hours and days for each month that each engine is operated and the cumulative total annual hours.

(ii) Fuel Use: The total amount of fuel combusted in each engine shall be recorded on a monthly and annual basis in units of scf.

(iii) Engine Inspection and Maintenance Logs: IC engine inspection and maintenance logs shall be maintained, including quarterly inspection results, AFRC outputs, oxygen sensor outputs, and portable analyzer calibration records, consistent with the reporting requirements incorporated in the I&M Plan.

C.4 **Pigging Equipment.** The following equipment are included in this emissions category:

APCD ID No.	Venoco Equip ID No.	Name
9792	SP-132	Oil Launcher (0.67' dia., 4' long)
9793	SP-133	Utility Gas Launcher (0.67' dia., 4' long)
9794	SP-134	Gas Launcher (0.67' dia., 4' long)

(a) Emission Limits: Mass emissions from the gas and oil service components listed above shall not exceed the limits listed in Table 5.1-3.

(b) Operational Limits: Operation of the equipment listed in this section shall conform to the requirements listed in APCD Rule 325.E. Compliance with these limits shall be assessed through compliance with the monitoring, recordkeeping and reporting conditions in this permit. In addition, Venoco shall meet the following requirement:

(i) *Events* - The number of emulsion and gas pig operations (events) shall not exceed the maximum operating schedule listed in Table 5.1-1.

(ii) *Purging/Pressure* - Prior to opening the pig launchers, Venoco shall purge the oil launcher with nitrogen or sweet fuel gas (not to exceed 30 ppmv total sulfur content calculated as H_2S at standard conditions), and shall purge the gas launchers with nitrogen. Such purging shall be done in strict accordance with the currently approved *Pig Launching Procedures – 6" Gas Pipeline.* The pig launchers shall be purged/depressurized to the vapor recovery system or flare via the surge tank, to the maximum extent feasible. At no time shall the pig launcher chamber be bled down to atmosphere when the initial pressure inside the chamber is greater than 20 psig. Compliance with this condition shall be based on pressure indicators that monitor the internal pressure of the launcher pig chamber. Pig chamber pressure readings shall be recorded prior to the final 'bleed down' of the pig launcher, before opening the chamber door.

(iii) *Openings* - Access openings to the pig launchers shall be kept closed at all times, except when a pipeline pig is being placed into or removed from the launcher.

D. APCD-Only Conditions

The following section lists permit conditions that are not enforceable by the USEPA or the public. However, these conditions are enforceable by the APCD and the State of California. These conditions are issued pursuant to APCD Rule 206 (*Conditional Approval of Authority to Construct or Permit to Operate*

D.1 **Permit Activation.** All aspects of this permit are enforceable by the APCD and the State of California upon the issuance date stamped below. The Part 70 aspects of this permit are not final until:

(a) The USEPA has provided written comments to the APCD and these comments require no modification to this permit. The APCD will issue a letter stating that this permit is a final Part

70 permit. The effective date that this permit will be considered a final Part 70 permit will be the date stamped on the APCD's letter.

(b) After the USEPA has provided the APCD written comments that require a modification to this permit, the APCD will modify this permit to address the USEPA's comments and issue the Part 70 permit as final. The re-issued permit will supersede this permit in its entirety.

D.2. **Compliance.** Nothing contained within this permit shall be construed as allowing the violation of any local, state or federal rules, regulations, air quality standards or increments.

D.3 **Grounds for Revocation.** Failure to abide by and faithfully comply with this permit or any Rule, Order, or Regulation may constitute grounds for revocation pursuant to California Health & Safety Code Section 42307 et seq.

Terrence E. Lieuallen

AIR POLLUTION CONTROL OFFICER

JUL 30 2010

DATE

Attachments:
Equipment List
Permit Evaluation for Permit to Operate Mod 8234 04

Note: Permit reevaluation due date is December 22, 2011

Thursday, October 08, 2009
Santa Barbara County APCD – Equipment List

PTO Mod 08234 04 / FID: 03105 Platform Holly / SSID: 01063

A PERMITTED EQUIPMENT

1 Monterey 3242 Test Trap

Device ID #	**009654**	***Device Name***	**Monterey 3242 Test Trap**
Rated Heat Input		*Physical Size*	30.00 BBL
Manufacturer		*Operator ID*	V-106
Model		*Serial Number*	
Location Note			
Device Description	4' dia. x 15' long, 275 psi, 100°F. Replaced V-105		

Santa Barbara County
Air Pollution Control District

PERMIT EVALUATION for
Permit to Operate Mod 8234 04

1.0 BACKGROUND

1.1 General: The three emergency generator engines are subject to Rule 333. They were previously permit exempt, so they do not contribute to the Stationary Source NEI. They are permitted to operate 24 hours per day and 365 days per year. This PTO Mod revises the monitoring requirements for the engines consistent with the requirements of Rule 333.

Venoco replaced one pressure vessel used as a production test separator with a different pressure vessel. The vessels are exempt from Rule 325, but any components added as part of this change must be tracked as part of the facility's deminimis emissions totals.

The pig launchers are purged five times before opening. Instead of bleeding them down to 5 psig between each purge, they will be bled down to 20 psig or less. In practice the launchers will typically be bled down to approximately 8 psig, but the pressure may be as high as 20 psig with a negligible change in emissions.

1.2 Permit History: PT-70/Reeval 8234 R7 was issued 12/29/2008. The reevaluation added the three formerly permit exempt generator engines to the permit.

1.3 Compliance History: The most recent Compliance Verification Report for Platform Holly indicates the generator engines are in compliance with all APCD Rules and Regulations. A detailed compliance review of earlier operations can be found in Part 70/APCD PTO 8234 R7.

2.0 ENGINEERING ANALYSIS

2.1 Equipment/Processes: A detailed review of the processes at Holly is provided in Part 70/APCD PTO 8234 R7.

2.2 Emission Controls: A detailed review of emission controls for all emission units at Holly is provided in Part 70/APCD PTO 8234 R7.

2.3 Emission Factors: Emission factors for each emission unit at Holly can be found in Part 70/APCD PTO 8234 R7.

2.4 Reasonable Worst Case Emission Scenario: Section 5 in Part 70/APCD PTO 8234 R7 defines the operational characteristics that comprise the reasonable worst case-operating scenario for all emission units addressed in this permit.

2.5 Emission Calculations: The pig launcher initially contains ROC. It is bled down to 20 psig or less, then purged with nitrogen or sweet fuel gas at 125 psig and bled back down to 20 psig or less five times before opening the launcher. It is assumed that the gas in the launcher and the purge gas behave as an ideal gas mixture. The following properties are assumed:

Launcher volume = 1.4 ft^3
R = 10.73 psi $ft^3/°R$ lb-mol
T = 535 °R
MW ROC = 23 lb/lb-mol
$\gamma = c_p/c_v = 1.4$
$M_{initial} = P_1V_1/RT_1$ x MW

For each cycle the initial volume of gas is compressed adiabatically, so the temperature and volume of the initial volume of gas after it is compressed to 125 psig is:

$$T_2 = T_1 \left(\frac{P_2}{P_1}\right)^{\gamma-1/\gamma}$$

$$V_2 = V_1 \left(\frac{P_2}{P_1}\right)^{-1/\gamma}$$

The remaining volume in the chamber is taken by the purge gas. The mass of the purge gas added in each cycle is determined by:

M_{purge} = 28 lb/lb-mol * 139.7 psia * (1.4 $ft^3 - V_2$) / (10.73 * 535 °R)

The final temperature in the chamber before bleeding down is equal to the weighted average of the temperature of the compressed initial volume and the temperature of the purge gas (which is assumed to be 535°R):

$$T_{final} = \frac{T_2 M_{initial} + 535\ {}^{o}R M_{purge}}{M_{initial} + M_{purge}}$$

The ROC mass fraction of the ROC and purge gas mixture is equal to:

$M_{initial}$ / ($M_{initial}$ + M_{purge})

The compressed gas mixture is then bled down to the vapor recovery system until the remaining ROC and purge gas mixture is back to 20 psig. The temperature in the chamber after bleeding down is calculated based on adiabatic expansion. The mass of ROC in the chamber after bleeding

down is equal to the mass of gas in the chamber times the ROC fraction at the end of the last purge cycle. After 5 purge cycles and the final bleed-down the mass of ROC remaining in the chamber is 0.0014 lb.

R =	10.73	psi ft^3 / °R lb-mol	Initial Pressure =	20 psig
gamma =	1.40		Purge Pressure =	125 psig
V1 =	1.40	Ft^3	Initial Temperature =	75 Deg F

	Purge 1	Purge 2	Purge 3	Purge 4	Purge 5	Final Vent 6
MW (lb/lb-mol)	23	26.78	27.59	27.85	27.95	27.98
P1 (psia)	34.7	34.7	34.7	34.7	34.7	34.7
T1 (deg R)	535.00	402.32	373.71	364.49	361.24	360.05
M1 (lb)	0.19	0.30	0.33	0.35	0.35	0.35
P2 (psia)	139.7	139.7	139.7	139.7	139.7	
T2 (deg R)	598.95	556.35	542.63	537.79	536.03	
V2 (ft^3)	0.52	0.52	0.52	0.52	0.52	
V_{purge} (ft^3)	0.88	0.88	0.88	0.88	0.88	
M_{purge} (lb)	0.60	0.60	0.60	0.60	0.60	

Fraction ROC	0.24457293	0.08165757	0.02917908	0.01065858	0.00392379		
Mass ROC		**0.07369853**	**0.02729623**	**0.01009565**	**0.00373333**	**0.00138054**	**lb/launch**

The gas and utility launchers may be pigged up to 10 times per day each, so total emissions are equal to 0.01 lb ROC/day.

The oil launcher may be purged with fuel gas. When the launcher is opened, 0.35 lb of gas is released, of which 0.39% is the initial ROC, the remainder is fuel gas. Based on the first half 2009 CVR report, in-plant fuel gas from EOF has C3+ weight percentages of around 15% or less. So, the mass of ROC in the purge gas is:

$$0.35 \text{ lb } (1\text{-}0.0039) * 0.15 = 0.052 \text{ lb ROC}$$

The permit allows up to 5 oil launches per day and 960 per year, so the potential to emit is 0.27 lb ROC/day and 0.03 ton ROC/year. This is a negligible increase from the current permit limit of 0.11 lb ROC/day and 0.01 ton ROC/year.

2.6 Special Calculations: None.

2.7 BACT Analyses: Best Available Control Technology is not required for any emission unit in this permit.

2.8 Enforceable Operational Limits: This permit establishes an enforceable oxygen sensor range for the generator IC engines. The permit also revises the operational limits for the pig launcher.

2.9 Monitoring Requirements: The Rule 333 I&M plan specifies the procedures for monitoring the engines. The plan adds requirements for monitoring the carburetor and the supplemental fuel valve, and for checking the air-fuel-ratio controller for fault codes during monitoring. The plan was also revised to specify the procedure for calibrating the portable analyzer used during monitoring.

2.10 Recordkeeping and Reporting Requirements: The permit requires that the data which is monitored be recorded and reported to the APCD. It allows fuel use to be recorded on a monthly, instead of daily basis. This satisfies Rule 333 requirements and allows fuel use to be recorded at the same frequency as operating hours.

3.0 REGULATORY REVIEW

3.1 List of Applicable Rules: Please see Rules discussions in the Part 70/APCD PTO 8234 R7.

3.2 Rules Requiring Review:
Rule 325 *Crude Oil Production and Separation* exempts pressure vessels from control and inspection requirements as long as they are operated to maintain at least 15 psig without vapor loss to the atmosphere. Both V-105 and V-106 are pressure vessels, so replacing V-105 with V-106 does not affect the Rule 325 requirements for Holly.

Rule 333 *Control of Emissions from Reciprocating Internal Combustion Engines* requires implementation of an *Inspection and Maintenance Plan*. The plan establishes control equipment parameters which must be monitored on a regular schedule.

3.3 NEI Calculations: The net emission increase calculation is used to determine whether certain requirements must be applied to a project (e.g., offsets, AQIA, PSD, BACT). There is no NEI associated with this permit mod.

4.0 AQIA

The project is not subject to the Air Quality Impact Analysis requirements of Regulation VIII.

5.0 OFFSETS/ERCS

The stationary source NEI remains below the Rule 802 offset thresholds, therefore offsets are not required.

6.0 AIR TOXICS

This project does not affect permitted emissions. An air toxics health risk assessment is not required for this permitting action.

7.0 CEQA / LEAD AGENCY

The APCD is the lead agency for this project. The modification authorized under this permit is exempt from the California Environmental Quality Act (CEQA). The exemptions are authorized per Appendix A, Section 1 (*APCD Projects Exempt from CEQA*), since there is no increase in emissions due to this project.

8.0 SCHOOL NOTIFICATION

A school notice pursuant to the requirements of H&SC §42301.6 was not required.

9.0 PUBLIC and AGENCY NOTFICATION PROCESS/ COMMENTS ON DRAFT PERMIT

This project is not subject to public notice.

The permittee noted that the millivolt set point is adjusted automatically by the AFRC in response to varying operational conditions. Therefore establishing a fixed set point does not reflect the operational characteristics of the engine control system. Therefore the draft permit was revised to establish an allowable oxygen sensor output range. The operation of the AFRC is checked during quarterly monitoring by checking for AFRC fault messages.

10.0 FEE DETERMINATION

Fees for the APCD's work efforts on this permit and all follow-up work associated with this permit are assessed on a fee basis. An fee statement for this permit is included in Attachment D. The Project Code for this permit is 300900.

11.0 RECOMMENDATION

It is recommended that this permit be granted with the conditions as specified in the permit.

AQ Engineer	7/29/10 Date	Engineering Supervisor	7-29-10 Date

ATTACHMENTS

A Fee Statement

FEE STATEMENT

PTO No. 08234 - 04
FID: 03105 Platform Holly / SSID: 01063

Santa Barbara County
Air Pollution Control District

Device Fee

Device No.	Device Name	Fee Schedule	Qty of Fee Units	Fee per Unit	Fee Units	Max or Min. Fee Apply?	Number of Same Devices	Pro Rate Factor	Device Fee	Penalty Fee?	Fee Credit	Total Fee per Device
009654	Monterey 3242 Test Trap	A6	1.000	3.43	Per 1000 gallons	Min	1	1.000	59.33	0.00	0.00	59.33
	Device Fee Sub-Totals =								**$59.33**	**$0.00**	**$0.00**	
	Device Fee Total =											**$59.33**

Permit Fee

Admin Change **372.00**

Fee Statement Grand Total = $372

Notes:

(1) Fee Schedule Items are listed in APCD Rule 210, Fee Schedule "A".
(2) The term "Units" refers to the unit of measure defined in the Fee Schedule.