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November 6, 2006

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Permits Srvc
SJVAPCD

Mr. Dave Warner
Director of Permit Services
San Joaquin Valley Air Pollution Control District
1990 East Gettysburg Avenue
Fresno, California 93726

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JAN 03 2007

SJVAPCD
Southern Region

RE: Comments on Draft SJVAPCD Policies

Dear Mr. Warner:

The Western States Petroleum Association (WSPA) is a trade association whose members conduct much of the producing, refining, transporting, and marketing of petroleum and petroleum products in the western United States. The purpose of this letter is to provide comments regarding the following key San Joaquin Valley Air Pollution Control District (SJVAPCD) policies: Equipment Breakdown Policy; Rule 4623 – Organic Liquid Storage; Rule 1180 – Notice to Comply; Notice of Violation Guidelines; Rule 2280 – Portable Equipment; Product Sampling; Enforcement of Rule 4306 – Boilers, Steam Generators, and Process Heaters – Phase 3; Rule 4409 – Components at Light Crude Oil Production Facilities, Natural Gas Production Facilities, and Natural Gas Processing Facilities; Rule 4402 – Crude Oil Production Sumps; Rule 4624 Organic Liquid Loading; COM 2135: Steam-Enhanced Crude Oil Production Well Vents Policy; COM 1150 Portable Emission Analyzer Policy; Internal Combustion Engine – Phase 2; Source Test Guidelines and Appendix G; Variance Program Guidelines; Internal Combustion Engine – Phase 1; Significant Figures; and Title V Electronic Report Format.

Equipment Breakdown Policy:

- Section II.B. – The paragraph under this section specifies that a breakdown shall be investigated no later than 10 days from the notification to verify that the equipment is back in compliance. We request that this re-inspection time be extended to 15 days because: 1) this policy is currently inconsistent with the Title V Deviations and Reports re-inspection time frame; 2) the intent is verify a source is back in compliance (a breakdown that takes 24 hours to correct plus the 10 day reinspection after correction would actually be 11 days); and 3) Rule 1100 doesn't specify a 10 day reinspection requirement.

- References to “you” and “your” when deferring to a District inspector should be changed to clearly identify District staff. Examples occur in Sections II.C., IV.B.2., and IV.B.3.
- Section III.B.3. is applicable only if the 24/96-hour period has not passed, i.e. equipment breakdown requiring an immediate field inspection.
- Section III.B.5. requires photographs, although they may not be available.
- Sections III.B.7. and III.B.8. should say “Verify” instead of “Determine” since the initial breakdown report has been filed at this point.
- Sections III.B.9. and III.B.10. can be combined to capture the manufacturer’s recommended maintenance and/or replacement guidelines and whether these were followed.
- Rule 1100 does not define “recurrent” as “three times within the last 3 years” yet IV.A.3.f. implies it. We understand that the intent is to allow only non-recurrent breakdowns, as explained in the two sentences following this comment. If the District has adopted this definition, the policy should clearly state so, but we also request verbiage be included to give District personnel’s assessment weight in the decision to allow breakdown relief or not.
- IV.A.7. is unclear if an additional 10 day period is allowed for District requested information after a 10-Day Written Report is filed.
- IV.B.1.d. provides no provisions if a source withdraws a breakdown because it found that there was no violation, upon further investigation. In many instances, this results in no NOV being issued. Adding the words “if there is a violation” to the end of the last sentence would make this point clear.
- Section V.B.3. –
 - The word “were” should be “where”.
 - There are no provisions if the source withdraws the breakdown for reasons of no violation and the District concurs. Changing “it is determined” in the first sentence to “the District determines” would cover all instances.
- V.B.4., again, assumes that a violation has occurred when a breakdown request is withdrawn. Inserting “if the District determines one has occurred” after “NOV” or other verbiage would clarify this point.

Rule 4623 – Organic Liquid Storage:

- Section I.C.d. specifies multiple people for floating roof tank inspections. It is confusing in that three persons are listed as required, but the bullets indicate a total of four persons.
- Section I.C.f. references a confined space policy. It would be helpful to attach it as an appendix.
- SCBA’s and three-way monitors are needed at many fixed roof tank facilities. This equipment should be listed under II.A.
- It is highly recommended to have a standby person equipped with SCBA and/or with notification abilities (radio/cell phone) in the event the person on top of or inside the tank needs assistance.

- Under III.C.6., it is unclear as to what an inspector should do if the tank is full and the entire roof/seal areas cannot be viewed. Documentation should be required.

Rule 1180 – Notice to Comply:

- Section I. specifies that an NTC can be used for first time violations only. Although it is not the intent to protect recurrent incidents, adding the phrase “or as otherwise determined by compliance staff” would give the District flexibility in determining when an NTC is appropriate.
- Although the guideline applies to Title V facilities, Section I.A.3. allows for a 15 day submittal after the due date, which could result in a second deviation for missing the 10 deviation reporting window. Clarification in this section would be helpful.
- Section III. addresses chronic and recalcitrant violators and then defines chronic as having at least two prior violations (NTC’s or NOV’s). This seems to contradict Section I. that specifies NTC’s are for first time violations only. Adding the recommended verbiage in Section I. would clarify.

Notice of Violation Guidelines:

- The insertion of “or” between “new” and “modified” is needed in Section IV.A.4.
- Section C. provisions are the responsibilities of both the District and the source, which can cause confusion. Use of phrases such as “on-site inspection by District”, “source’s submittal of source test or lab analysis”, “variance filing by source”, “verification of source non-operation by District”, and “source’s submittal of permit application that is deemed complete and/or has been processed” would make the party tasked with action obvious.
- It is the District’s policy to issue NOV’s on-site when possible and warranted. Section VII.F.4. doesn’t require the verbiage after “mailed;”.

Rule 2280 – Portable Equipment:

- In the first paragraph under Policy Statement, the failure to comply with registration conditions could result in enforcement action against both the source and the owner/operator of the subject equipment, depending on the situation.
- Section II.B.2. appears to address the file(s) specific to the portable equipment registration, not necessarily the files for the facility where the portable equipment is being operated. Clarification of which files would be helpful.
- Distinction needs to be made in Section IV.A.1.i. between portable equipment that a facility operates versus portable equipment used at a regulated facility’s site. For instance, a sandblasting job is usually conducted by a contractor who is responsible for the portable equipment registration versus renting a piece of portable equipment that a facility operates. In the latter case, the facility should ensure that the equipment has the appropriate registration prior to bringing it on-site.

Product Sampling:

- The guideline is specific to the District's sampling procedures. Changing the Title to "Product Sampling by District Personnel" would highlight that point.
- II.C. addresses sampling of liquid fuels but not gaseous ones. Provisions need to be included.

Enforcement of Rule 4306 – Boilers, Steam Generators, and Process Heaters – Phase 3:

- Under INSPECTION PROCEDURES Safety and Inspection Equipment, H₂S monitors should be included.
- Under INSPECTION PROCEDURES Inspection Activities, the sixth paragraph requires that at least 5 or more (20%) operating units be sampled during inspections. For large sources, this could be a significant endeavor. Can the District inspector be allowed latitude? If five generators are at one site, have identical configurations, and are fired on the same fuel, the inspector could test only one generator, and the results would be representative.
- The % specifications under INSPECTION PROCEDURES Post Inspection Activities Emission Monitor Data should be clearly included in other policies such as the Internal Combustion Engine – Phase 2.
- INSPECTION PROCEDURES Post Inspection Activities Alternative Monitoring paragraph four states that a source can return the unit to conformity during a time specified on the permit or ATC. The phrase "typically one hour", however, needs to be removed. (Engines, for example, are allowed up to eight hours in SSP 1810.)

Rule 4409 – Components at Light Crude Oil Production Facilities, Natural Gas Production Facilities, and Natural Gas Processing Facilities:

- Section II.B.4.c. and II.B.4.d. use the word "expeditiously". We assume this means not repaired within the times specified in the rule, but District clarification is needed.
- It is unclear as to the pertinence of who conducts the inspection – Section II.B.9.
- There is no attached/linked Appendix, Forms, or Compliance Assistance Bulletin as indicated at the end of the document.
- It appears that III.A. is a recommendation but not a requirement of the District. Can wording be added to make this clear?

Rule 4402 – Crude Oil Production Sumps & Rule 4624 Organic Liquid Loading: There are no Appendix, Forms, or Compliance Assistance Bulletin at the end of the documents as indicated.

Rule 4624 – Organic Liquid Loading: The Forms and Appendix referenced at the end of the document are not attached or linked to the guideline.

COM 2135: Steam-Enhanced Crude Oil Production Well Vents Policy: Changes to this rule are currently being workshopped. The policy needs to be updated to reflect the new rule's requirements upon its adoption. One point WSPA wishes to clarify, however, is that Rule 4401 does not address components in liquid crude oil service, including well stuffing boxes. The District has concurred with this statement in recent public workshops. Section 5, Paragraph 3 acknowledges this fact but then states that stuffing boxes leaks exceeding rule specifications will be a violation. We request the deletion of that particular sentence.

COM 1150 Portable Emission Analyzer Policy:

- Under **GENERAL STATEMENT**, in the second paragraph, portable analyzers are to be used to monitor compliance of NO_x, CO, SO_x, and H₂S. It is not current industry practice, however, to determine SO_x and H₂S compliance with analyzers due to more accurate methods being available, namely laboratory analyses. Accurate SO_x measurements would require a heated sampling line at a minimum. Most facilities are not equipped with such a configuration. Analyzers are also not typically equipped with cells rated to handle high H₂S levels found in some field locations. We request that the District limit analyzer use to those pollutants that they accurately and easily measure.
- **4. ENFORCEMENT ACTION BASED ON ANALYZER RESULTS** does not reference options given to equipment that has an approved alternate monitoring policy. By policy SSP 1810 and permit conditions, sources are allowed either 1 or 8 hours to restore an out of range reading. Only after this time has passed can it become a citable incident. The policy nor the permits specify that the provisions do not apply if found by a District inspector.
- Both **INSPECTION PROCEDURES** and the next section **REVIEW OF ANALYZER RESULTS** are numbered 3.

Internal Combustion Engine – Phase 2:

- An H₂S monitor should be included under 2. Inspection Safety.
- Under 3. PRE-INSPECTION ACTIVITIES, inspections are encouraged to be un-announced. Is this a general policy or only specific to engines?
- In 5.B., Paragraph 2, "interrupting the fuel supply" is usually done by complete disconnection of the fuel line. Modifying this wording will make it consistent with currently used permit conditions.
- Inspection procedures for emergency standby engines are described in 5.C.. In the event that an engine can't be run under load, does the District feel it is necessary to run the engine? This requirement is not specified in Rule 4702.
- For consistency, it would be helpful if the required actions for readings above 115% and up to 125% were included in 6.F. or another applicable part of the policy. The document mentions that up to 115% is compliant in another section.
- There are placeholders for three of the appendices, but they are not populated.

Source Test Guidelines and Appendix G:

- I.B.9. requires that fuel records required by permit conditions be submitted in the source test report (test day and also 3, 6, and 9 months prior). Fuel samples are pulled the day of the test and are subsequently analyzed. Any records required by permit conditions are also reviewed during normal district inspections. Including this data as part of the source test report doesn't add to assurance of compliance.
- I.C. contradicts Rule 4306. A source reverts to 12-month testing only if the unit "does not meet the applicable emission limit specified in section 5.1 or 5.2.3...". If a source fails to conduct a compliance test on time, a Notice to Comply should be issued but the test frequency remains 36 months. Further enforcement by the District could then be handled on a case-by-case basis. Additionally, this paragraph should clarify that only those on a 36-month schedule (i.e. steam generators, boilers, heater treaters) are subject to this part of the policy. As it currently reads, IC engines could be required to undergo two consecutive annual tests which are not required under Rule 4702.
- Section III.A.7. was discussed during the district's workshop on this policy. The district concurred that, in the event of a failed fuel sulfur test or SOx determination, a retest for NOx, CO, and VOC's would not be required.
- In IV.F.2. and 3., the district is requiring non-standard upstream and downstream locations which would require stack extensions and additional support. Allowing the minimum 2 diameters downstream and ½ diameter upstream would alleviate this additional burden on sources.
- Appendix G, as proposed, has operational issues along with not being compatible with primary source testers' programs/methodologies. Protocols and test results are already required to be submitted to the District. These documents contain all information required to determine compliance. If the District wishes to use a standardized tool, it can extract the required data and enter it into any format it desires.

Variance Program Guidelines:

- Only six copies of petitions are required to be filed. The district's on-line variance application form states that the "original petition . . . with 15 copies of any attachments must be submitted". The form's wording should be modified to clearly state that only six copies are needed.
- Appendices C, D, E, and F refer to distributions of various documents. However, these are not referenced in the policy itself.

Internal Combustion Engine – Phase 1:

- An H2S monitor should be included under 2. INSPECTION SAFETY.
- Section 5.A. references Appendix 3 but should say Appendix 2. Additional wording should be included for readings greater than 115% and as outlined in other policies.
- 5.C., as under *Internal Combustion Engine – Phase 2*, is a start-up of an emergency engine that can't be loaded warranted?

Significant Figures: We appreciate the District's attempt to be consistent with the use of significant digits. There are instances that need to be remedied, however. For example, District Policy APR 1720 specifies a SOx limit of 0.00285 lb/MMBtu derived from a fuel sulfur concentration of 1.0 gr/100scf and 1000 Btu/cf. This limit, however, does not conform to the Significant Figures Policy in that it should only have two significant figures (1.0 gr/100scf = two significant digits) instead of three. Additionally, the limit is rounded incorrectly even for three significant figures because the calculation is as follows:

$$\begin{aligned} 1.0 \text{ gr/100scf} \div 1000 \text{ Btu/scf} \times 10^6 \text{ Btu/MMBtu} \div 7000 \text{ gr/lb} &= 0.0028571 \text{ lb/MMBtu} \\ &= 0.00286 \text{ lb/MMBtu} & &= 0.0029 \text{ lb/MMBtu} \end{aligned}$$

A source could, then, be cited even though it is using a gas approved during the permit process. We request the District to consider implementation of two changes: 1) modify Policy APR 1720 to reflect the correctly rounded limit of 0.0029 lb/MMBtu; and 2) review other such policies to ensure consistency with the Significant Digits Policy.

Title V Electronic Report Form: The following comments were previously submitted but have not been incorporated into the existing form. They are repeated below for consistency:

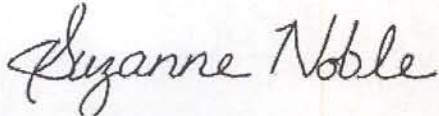
- Within the table *TitleVComplianceCertificationData*, field *PermitNumber*, add an example to clarify that only the unit number is entered. The suggested language (wording additions are shown as underlined) is "Permit Number (unit number, e.g. "31" for permit S-1141-31-27)".
- Within the table *TitleVComplianceCertificationData*, field *ComplianceStatus*, the addition of another option "O" for outdated conditions, such as PSD conditions addressing oil firing when the subject units are gas-fired only, would be useful.
- The form does not address the file naming nomenclature for an amended report. Using "S001220040101to20041231TVRptAmended20051231.mdb" would clearly identify a report as one that had been modified.
- The form should specify that all reports should be saved as "Read Only" to prevent accidental alterations.
- The signed certification form can get separated from the report. We ask the District to consider options such as: 1) develop a way to affix the signature to a CD submittal, if used; and/or 2) include the submitted file name on the certification form.
- We request the District to expand this application to semi-annual reports.

Although the remaining draft policies on the website are vital to the District's work, WSPA had no additional comments on them. They include: Complaint Response Guidelines; Customer Service; Rule 4602 – Motor Vehicle and Mobile Equipment Refinishing Operations; Petroleum Solvent Dry Cleaning Operations; Rule 4454 – Refinery Process Unit Turnaround; Rule 4603 – Surface Coating of Metal Parts and Products; Rule 4901 – Wood Burning Fireplaces and Wood Burning Heaters – Com

2310; Rule 4455 – Components at Petroleum Refineries, Gas Liquids Processing Facilities, and Chemical Plants; Rule 4103 – Open Burning and Appendix A; and Rule 4606 – Wood Products Coating Operations.

WSPA appreciates the District's efforts to make these guidelines public and to allow comment prior to their finalization. We look forward to participating further with District staff in the policy development process.

Sincerely,

A handwritten signature in cursive script that reads "Suzanne Noble".

Suzanne Noble
Senior Coordinator

cc: Saul Gamez, APCD
Tom Goff, APCD
Rick McVeigh, APCD