



JAN 15 2020

Mr. Christopher Sherman  
Shell Pipeline Company LP  
1801 Petrol Rd  
Bakersfield, CA 93308

**Re: Notice of Preliminary Decision – Title V Permit Renewal**  
**Facility Number: S-1413**  
**Project Number: S-1193936**

Dear Mr. Sherman:

Enclosed for your review and comment is the District's analysis of the application to renew the Federally Mandated Operating Permit for Shell Pipeline Company LP at 1801 Petrol Rd in Bakersfield, California.

The notice of preliminary decision for this project has been posted on the District's website ([www.valleyair.org](http://www.valleyair.org)). After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the District intends to issue the renewed Federally Mandated Operating Permit. Please submit your written comments on this project within the 30-day public comment period, as specified in the enclosed public notice.

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,

Arnaud Marjollet  
Director of Permit Services

Enclosures

cc: Courtney Graham, CARB (w/enclosure) via email  
cc: Gerardo C. Rios, EPA (w/enclosure) via EPS

**Samir Sheikh**  
Executive Director/Air Pollution Control Officer

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**SAN JOAQUIN VALLEY  
AIR POLLUTION CONTROL DISTRICT**

**Proposed Title V Permit Renewal Evaluation  
Shell Pipeline Company LP  
S-1413**

**TABLE OF CONTENTS**

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I.	PROPOSAL.....	2
II.	FACILITY LOCATION.....	2
III.	EQUIPMENT LISTING.....	3
IV.	GENERAL PERMIT TEMPLATE USAGE.....	3
V.	SCOPE OF EPA AND PUBLIC REVIEW.....	3
VI.	FEDERALLY ENFORCEABLE REQUIREMENTS .....	4
VII.	REQUIREMENTS NOT FEDERALLY ENFORCEABLE.....	7
VIII.	PERMIT REQUIREMENTS .....	7
IX.	PERMIT SHIELD .....	10
X.	CALIFORNIA ENVIRONMENTAL QUALITY ACT .....	11
XI.	PERMIT CONDITIONS.....	11
ATTACHMENTS.....		11
A.	DRAFT RENEWED TITLE V OPERATING PERMIT	
B.	PREVIOUS TITLE V OPERATING PERMIT	
C.	DETAILED SUMMARY LIST OF FACILITY PERMITS	



**TITLE V PERMIT RENEWAL EVALUATION**  
**Pipeline Pump Station**

**Engineer:** Silvana Procopio  
**Date:** January 8, 2020

**Facility Number:** S-1413  
**Facility Name:** Shell Pipeline Company LP  
**Mailing Address:** 1801 Petrol Rd., Bakersfield, CA 93308

**Contact Name:** Christopher Sherman  
**Phone:** 661.391.2413

**Responsible Official:** Darwin L. Lyons  
**Title:** Facilities Manager

**Project # :** S-1193936  
**Deemed Complete:** November 7, 2019

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**I. PROPOSAL**

Shell Pipeline Company LP was issued a Title V permit on June 30<sup>th</sup>, 2005. As required by District Rule 2520, the applicant is requesting a permit renewal. The existing Title V permit shall be reviewed and modified to reflect all applicable District and federal rules updated, removed, or added since the issuance of the last Title V permit renewal on December 7, 2015.

The purpose of this evaluation is to provide the legal and factual basis for all updated applicable requirements and to determine if the facility will comply with these updated requirements. It also specifically identifies all additions, deletions, and/or changes made to permit conditions or equipment descriptions.

**II. FACILITY LOCATION**

Shell Pipeline Company LP is located at 1800 Petrol Rd, in Bakersfield.

### III. EQUIPMENT LISTING

A detailed facility printout listing all permitted equipment at the facility is included as Attachment C.

### IV. GENERAL PERMIT TEMPLATE USAGE

The applicant is requesting to use the following model general permit Templates:

#### A. Template SJV-UM-0-3 Facility Wide Umbrella

The applicant has requested to utilize template No. SJV-UM-0-3, Facility Wide Umbrella. Based on the information submitted in the Template Qualification Form, the applicant qualifies for the use of this template.

### V. SCOPE OF EPA AND PUBLIC REVIEW

Certain segments of the proposed Renewed Operating Permit are based on model general permit templates that have been previously subject to EPA and public review. The terms and conditions from the model general permit templates are included in the proposed permit and are not subject to further EPA and public review.

For permit applications utilizing model general permit templates, public and agency comments on the District's proposed actions are limited to the applicant's eligibility for model general permit template, applicable requirements not covered by the ~~model general permit template, and the applicable procedural requirements for~~ issuance of Title V Operating Permits.

The following permit conditions, including their underlying applicable requirements, originate from model general permit templates and are not subject to further EPA or public review.

Conditions 2 through 41 of the requirements for permit unit S-1413-0-3.

## **VI. FEDERALLY ENFORCEABLE REQUIREMENTS**

### **A. Rules Updated**

- District Rule 2201, New and Modified Stationary Source Review Rule (amended February 18, 2016 ⇒ amended August 15, 2019)
- District Rule 2520, Federally Mandated Operating Permits Rule (amended June 21, 2001 ⇒ amended August 15, 2019)
- 40 CFR Part 82, Subpart B, Servicing of Motor Vehicle Air Conditioners (amended June 25, 2013 ⇒ amended August 23, 2019)
- 40 CFR Part 82, Subpart F, Recycling and Emission Reduction (amended June 25, 2013 ⇒ amended December 27, 2017)

### **B. Rules Removed**

There are no applicable rules that were removed since the last Title V renewal.

### **C. Rules Added**

There are no applicable rules that were added since the last Title V renewal.

### **D. Rules Not Updated**

- District Rule 1070, Inspections (amended December 17, 1992)
- District Rule 1080, Stack Monitoring (amended December 17, 1992)
- District Rule 1081, Source Sampling (amended December 17, 1992)
- District Rule 1100, Equipment Breakdown (amended December 17, 1992)
- District Rule 1160, Emission Statements (adopted November 18, 1992)

- District Rule 2010, Permits Required (amended December 17, 1992)
- District Rule 2020, Exemptions (amended December 18, 2014)
- District Rule 2031, Transfer of Permits (amended December 17, 1992)
- District Rule 2040, Applications (amended December 17, 1992)
- District Rule 2070, Standards for Granting Applications (amended December 17, 1992)
- District Rule 2080, Conditional Approval (amended December 17, 1992)
- District Rule 4101, Visible Emissions (amended February 17, 2005)
- District Rule 4102, Nuisance (amended December 17, 1992)
- District Rule 4201, Particular Matter Concentration (amended December 17, 1992)
- District Rule 4202, Particular Matter Emission Rate (amended December 17, 1992)
- District Rule 4301, Fuel Burning Equipment (amended December 17, 1992)
- District Rule 4304, Equipment Tuning Procedure for Boilers, Steam Generators, and Process Heaters (adopted October 19, 1995)
- ~~District Rule 4305, Boilers, Steam Generators, and Process Heaters~~  
Phase 2 (amended August 21, 2003)
- District Rule 4306, Boilers, Steam Generators, and Process Heaters – Phase 3 (amended October 16, 2008)
- District Rule 4320, Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr (amended October 16, 2008)
- District Rule 4351, Boilers, Steam Generators, and Process Heaters – Phase 1 (amended August 21, 2003)
- District Rule 4601, Architectural Coatings (amended December 17, 2009)

- District Rule 4623, Storage of Organic Liquids (amended May 19, 2005)
- District Rule 4801, Sulfur Compounds (amended December 17, 1992)
- District Rule 8011, General Requirements (Amended August 19, 2004)
- District Rule 8021, Construction, Demolition, Excavation, Extraction and Other Earth Moving Activities (Amended August 19, 2004)
- District Rule 8031, Bulk Materials (Amended August 19, 2004)
- District Rule 8041, Carryout and Trackout (Amended August 19, 2004)
- District Rule 8051, Open Areas (Amended August 19, 2004)
- District Rule 8061, Paved and Unpaved Roads (Amended August 19, 2004)
- District Rule 8071, Unpaved Vehicle/Equipment Traffic Areas (Amended September 16, 2004)
- 40 CFR Part 60, Subpart K, Standards of Performance for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction, or Modification Commenced After June 11, 1973 and Prior to May 19, 1978 (Amended October 17, 2000)
- 40 CFR Part 60, Subpart Ka, Standards of Performance for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction, or Modification Commenced After May 18, 1978 and Prior to July 23, 1984 (Amended December 14, 2000)
- 40 CFR Part 60, Subpart Kb, Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for which Construction, Reconstruction, or Modification Commenced After July 23, 1984 (Amended October 15, 2003)
- 40 CFR Part 61, Subpart M, National Emission Standard for Asbestos (Amended July 20, 2004)
- 40 CFR Part 64, Compliance Assurance Monitoring (CAM) (Adopted October 22, 1997)



## **VII. REQUIREMENTS NOT FEDERALLY ENFORCEABLE**

For each Title V source, the District issues a single permit that contains the Federally Enforceable requirements, as well as the District-only requirements. The District-only requirements are not a part of the Title V Operating Permits. The terms and conditions that are part of the facility's Title V permit are designated as "Federally Enforceable Through Title V Permit".

For this facility, the following are not federally enforceable and will not be discussed in further detail:

District Rule 4102 – *Nuisance* (as amended on December 17, 1992)

Condition #1 of permit unit S-1413-0-3 is based on District Rule 4102 and will, therefore, not be discussed any further.

### **A. Rules Added/Updated**

There are no applicable rules that were added/updated since the last Title V renewal.

### **B. Rules Not Updated**

District Rule 4102, Nuisance (as amended December 17, 1992)

## **VIII. PERMIT REQUIREMENTS**

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The purpose of this evaluation is to review changes to federally enforceable requirements; therefore, this compliance section will only address rules that have been amended or added since the issuance of the initial Title V permit or most recent renewal of the Title V permit.

### **A. District Rule 2201 - New and Modified Stationary Source Review Rule (NSR)**

District Rule 2201 has been amended since this facility's initial Title V permit was issued. However, the requirements of this rule are only triggered at the time the source undergoes a modification.

There are 3 ATCs that haven't been implemented (S-1413-6-8, '-10-10, and '-12-10) but the applicant has stated they don't plan to commence construction due to budget reasons and asked to let them expire. Therefore, there are no modifications at the source and all applicable requirements from any NSR permit actions have already been incorporated into the current Title V permit.

**B. District Rule 2520 - Federally Mandated Operating Permits**

The public noticing requirements have been updated on August 15, 2019 to incorporate electronic publication on our website and replace the requirement for newspaper notices for certain permitting actions. No changes in permit conditions have resulted from this rule amendment.

**Greenhouse Gas Discussion**

There are no federally applicable Greenhouse Gas (GHG) requirements for this source. It should be noted that the Mandatory Greenhouse Gas Reporting rule (40 CFR Part 98) is not included in the definition of an applicable requirement within Title V (per 40 CFR 71.2). Therefore, there will be no further discussion of GHG in this evaluation.

**C. 40 CFR Part 82 Subpart B - Servicing of Motor Vehicle Air Conditioners**

*§82.42 Certification, recordkeeping and public notification requirements.*

This section was amended on August 23, 2019. The only federally enforceable condition that references this subpart is the following:

*{4389} If the permittee performs service on motor vehicles when this service involves the ozone-depleting refrigerant in the motor vehicle air conditioner (MVAC), the permittee shall comply with the standards for Servicing of Motor Vehicle Air Conditioners pursuant to all the applicable requirements as specified in 40 CFR Part 82, Subpart B. [40 CFR Part 82, Subpart B]*

Since this condition provides a general statement requiring the facility to comply with this subpart, no changes to this condition are needed to ensure continued compliance.

**D. 40 CFR Part 82 Subpart F – Recycling and Emissions Reduction**

Several sections of this subpart were updated during 2016 and 2017. The only condition in the facility-wide permit that references this subpart is the following:

*{4388} If the permittee performs maintenance on, or services, repairs, or disposes of appliances, the permittee shall comply with the standards for Recycling and Emissions Reduction pursuant to 40 CFR Part 82, Subpart F. [40 CFR 82 Subpart F]*

Since this condition provides a general statement requiring the facility to comply with this subpart, no changes to this condition are needed to ensure continued compliance.

**E. 40 CFR Part 64 - Compliance Assurance Monitoring (CAM)**

40 CFR Part 64 requires Compliance Assurance Monitoring for units that meet the following three criteria:

- 1) the unit must have an emission limit for the pollutant;
- 2) the unit must have add-on controls for the pollutant; these are devices such as flue gas recirculation (FGR), baghouses, and catalytic oxidizers; and
- 3) the unit must have a pre-control potential to emit of greater than the major source thresholds.

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Pollutant	Major Source Threshold (lb/year)
NO <sub>x</sub>	20,000
SO <sub>x</sub>	140,000
PM <sub>10</sub>	140,000
CO	200,000
VOC	20,000

**A) S-1413-13-14: 20 MMBTU/HR BROACH NATURAL DRAFT HEATER WITH TWO NORTH AMERICAN MODEL 4211-12-LE-10 ULTRA LOW NOX BURNERS AND A FLUE GAS RECIRCULATION (FGR) SYSTEM**

- 1) This unit contains emission limits for NOx, SOx, PM10, CO, and VOC.
- 2) This unit is served by a flue gas recirculation (FGR) to control NOx emissions.
- 3) The FGR system will be assumed to have 70% control efficiency.

Pre-control Annual PE:

EF = 0.018 lb-NOx/yr (per permit condition #8)

PE = EF (lb/MMBtu) x Heat Input (MMBtu/hr) x 8,760 hr/yr  
= 0.018 lb-NOx/MMBtu x 20 MMBtu/hr x 8,760 hr/yr  
= 3,154 lb-NOx/yr

Pre-Control PE = PE ÷ (1 - 0.7)  
= 3,154 lb-NOx/yr ÷ 0.3  
= 10,513 lb-NOx/yr

Since 10,513 lb/yr is less than the major source threshold for NOx of 20,000 lb/yr, this unit is not subject to CAM for NOx emissions.

**B) S-1413-4-12, '-6-7, '-7-7, '-8-7, '-9-8, '-10-9, '-11-9, '-12-9, and '-14-3:**

None of the tank units at this facility are subject to CAM, since they do not have emission limits for VOC (the only pollutant that would be emitted from them).

## **IX. PERMIT SHIELD**

A permit shield legally protects a facility from enforcement of the shielded regulations when a source is in compliance with the terms and conditions of the Title V permit. Compliance with the terms and conditions of the Operating Permit is considered compliance with all applicable requirements upon which those conditions are based, including those that have been subsumed.

**A. Requirements Addressed by Model General Permit Templates**

**1. Model General Permit Template SJV-UM-0-3**

By submitting Model General Permit Template SJV-UM-0-3 qualification form, the applicant has requested that a permit shield be granted for all the applicable requirements identified by the template. Therefore, the permit shields as granted in Model General Permit Template are included as conditions 40 and 41 of the facility-wide requirements (S-1413-0-3).

**X. CALIFORNIA ENVIRONMENTAL QUALITY ACT**

The purpose of the Title V permit renewal is to update the permit to ensure that any changes to regulations since the issuance of the initial Title V permit or most recent renewal of the Title V permit are incorporated as permit requirements.

Per the California Environmental Quality Act (CEQA) Statute §21080.24, and CEQA Guidelines §15281, the issuance, modification, amendment, or renewal of any permit by an air pollution control district or air quality management district pursuant to Title V is exempt from CEQA, unless the issuance, modification, amendment, or renewal authorizes a physical or operational change to a source or facility. There will be no physical or operational change to the source or facility nor will the Title V permit renewal authorize a physical or operational change to the source or facility. Therefore, this project, a Title V permit renewal, is subject to a ministerial action that is exempt from CEQA.

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**XI. PERMIT CONDITIONS**

See Attachment A - Draft Renewed Title V Operating Permit.

**ATTACHMENTS**

- A. Draft Renewed Title V Operating Permit
- B. Previous Title V Operating Permit
- C. Detailed Summary List of Facility Permits