PETITION FOR A HEARING
BEFORE THE HEARING BOARD OF THE
SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

☐ Northern Region Office
4800 Enterprise Way
Modesto, CA 95356

☐ Central Region Office
1990 E. Gettysburg Ave.
Fresno, CA 93726

■ Southern Region Office
34946 Flyover Court
Bakersfield, CA 93308

	TYPE OF HEARING	FEES (Non-Refundable)
■ A.	Short Variance (90 Days or Less)	$ 987.00
☐ B.	Interim & Short Variance	$1443.00
☐ C.	Emergency Variance	$ 343.00
☐ D.	Regular Variance	$1136.00
☐ E.	Interim & Regular Variance	$1592.00
☐ F.	Appeal Hearing	$1136.00
☐ G.	Extension of Variance	$ 456.00
☐ H.	Modification of Variance	$ 456.00
☐ I.	Modification of Variance Schedule of Progress	$ 456.00
☐ J.	Product Variance	$1515.00
☐ K.	Rehearing	$1136.00
☐ L.	Revocation of Variance	$ 456.00
☐ M.	Special Hearing	$1136.00

In addition to the filing fee above, an excess emissions fee will be assessed at the conclusion of the variance at $3.00 per pound on the excess emissions emitted during the variance period. Additionally, a $3.75 per pound mitigation fee will be assessed if excess emissions are greater than 2000 pounds.

A. NAME OF FACILITY: Alon Bakersfield Refining

PHYSICAL ADDRESS OF FACILITY: 6451 Rosedale Highway

CITY: Bakersfield STATE: CA ZIP CODE: 93308

NAME OF PERSON FILLING OUT PETITION: Matthew Jalali

TELEPHONE: 661-742-7243 **E-MAIL:** matthew.jalali@gvenergy.com

NAME OF PERSON AUTHORIZED TO RECEIVE NOTICES: Matthew Jalali

MAILING ADDRESS: 6451 Rosedale Highway

CITY: Bakersfield STATE: CA ZIP CODE: 93308

TELEPHONE: 661-742-7243 **E-MAIL:** matthew.jalali@gvenergy.com

B. TYPE OF ENTITY (Check One)

☐ LLC

☐ Partnership

■ Corporation

☐ Other Entity

Please include the name, title, and address of officers, if a corporation; partners, if a partnership; or the person(s) in control, if other entity.

(Attach additional sheets, if needed)

NAME	TITLE	ADDRESS
Matthew Jalali	Environmental Director	6451 Rosedale Highway

In accordance with State Law, the District will provide assistance to small businesses in preparing and filing the petition for the hearing. Small business has the same meaning as defined in the Small Business Administration, except that no stationary source which is a major source can be a small business.

If you plan on having attendees participate via the video teleconferencing system in a region other than that of which you filed the petition, please check the box(s) below for the region they will be participating:

☐ Bakersfield ☐ Fresno ☐ Modesto

1. Describe the type of business conducted at your facility.

Renewable diesel production facility.

2. Describe in detail the equipment or activity that is the subject of this petition, what the equipment is used for, and why it is necessary to the operation of your facility. Include all pertinent information necessary to describe the activity including: fuels burned, raw materials processed, product produced, true vapor pressure of all volatile organic compounds, site diagrams, material flow charts, fuel systems, and diagrams of air pollution control systems if necessary. Provide photos as well.

Alon Bakersfield Refining (Alon) operates vapor recovery systems (VRS) to control vapors from tanks and wastewater treatment equipment. The vapor recovery systems route vapors to the facility fuel gas system or to one of two flares for combustion.

Alon discovered the vapor recovery compressor must be shut down and partially disassembled to clean and service the compressor internals. In order to conduct the repairs the VRS must be shut down so that the lines are not in active use while the repairs are being conducted.

While the VRS is off-line, Alon will violate permit conditions that require an operable vapor recovery system for the tanks listed in Table 1 (attached). The VRS system will not be leak-free as required by permit conditions during the period the VRS is shut down. The VRS will be off-line for as short a period as possible, but until the necessary repairs are conducted, Alon can not estimate the total duration of the shut-down.

3. List all the District Permits to Operate and/or Authorities to Construct and the corresponding permit conditions for which you are requesting variance protection and **explain** how you are violating, or will violate the condition(s). Please list the current version(s).

See Table 2 (attached).

4. List all District Rule numbers, including subsections, for which you are requesting variance protection and **explain** how you are violating or will violate the rule(s).

Rule 4623, Section 5.1.1, 5.6

Rule 4623.5.1.1 requires that a fixed roof tank storing material with a TVP greater than 0.5 psia be connected to a vapor recovery system. The VRS failed and is currently not operating.

Rule 4623.5.6 requires that tanks be fully enclosed and maintained in a leak-free condition. The use of a VRS is required to ensure that the tanks remain in leak-free condition.

5. Why is it beyond your reasonable control to comply with the rule(s) and/or permit condition(s)?

The vapor recovery compressor must be partially disassembled for service and cleaning. These two sour water tanks are the only sour water tanks on-site. Alon cannot transfer the sour water to other tanks. Sour water is generated by the renewable fuels production process, so it would be necessary to shut down the facility to stop sour water generation.

6. What would be the harm to your business if the variance were not granted? Include business closure, economic losses in dollar amounts, breach of contracts, hardships on customers, employee lay-offs, loss of market share to competitors, etc.

If the variance is not granted, Alon will not be able to hold or process sour water and the facility will not be able to operate. Projected revenue is approximately $500,000 per day, all of which would be lost if the plant is shut down.

7. What date, and under what circumstances, did your facility first become aware that it would **not** be in compliance?

Alon determined that the compressor must be partially disassembled the week of May 11th.

8. What actions have you taken since that time to achieve compliance?

Alon has planned the service and evaluated whether any parts must be replaced.

9. Explain what options have been evaluated towards curtailment or termination of operations in lieu of obtaining a variance.

These two sour water tanks are the only sour water tanks on-site. Alon cannot transfer the sour water to other tanks. Sour water is generated by the renewable fuels production process, so it would be necessary to shut down the facility to stop sour water generation.

10. Estimate the excess emissions in total pounds over the duration of the variance period. *Estimate the maximum amount of excess emissions that will occur.*

Pollutant	Pollutant Limit	Actual Emissions		Total Estimated Excess Emissions
VOC		765	*Excess emissions are those that are in excess of the rules or permit conditions or otherwise lawfully allowed*	726
NO_X				
CO				
SO_X				
PM_{10}				
$PM_{2.5}$				

Highest Opacity level anticipated: <20 %

11. Show all calculations and provide references for emission factors used in estimating excess emissions.

Excess emission calculations are attached. It is assumed the throughput is 1,000 bbl/day for each tank and the wastewater has a TVP of 0.5 psia. Uncontrolled Emissions are calculated as 382 lb/tank. It is assumed that the VRS is 95% efficient.

12. Explain how you can reduce or mitigate excess emissions during the variance period. (such as shutting equipment down or reducing production to offset excess emissions)

The duration of the variance and excess emissions during the variance will be mitigated by servicing the vapor recovery compressor as promptly as possible.

13. If there are excessive hazardous or toxic emissions, attach a health risk assessment and receptor modeling data.

14. Can you monitor or quantify emission levels from the subject equipment or activity during the variance period and make such records available to the District? Source tests, engineering tests, or portable emission analyzers can be utilized.
Yes: ■ No: ☐ Provide an explanation of your response.

Alon will monitor pressures in the tanks. If pressures in the tanks remain below the pressure relief valve set points, no excess emissions will be presumed to occur. If pressures exceed the set points, emissions will be calculated using AP-42 methodology.

15. How do you intend to achieve compliance with the rules or permit conditions? Include a detailed description of any equipment to be installed and/or modifications to be made, a listing of the dates by which the actions will be completed, and an estimate of the total cost, if available.

The compressor will be serviced within the requested variance timeline. Upon completing the repairs the VRS will be turned back on. Once the job is completed, Alon will provide the District a final report documenting the times and durations the VRS was down and an estimate of excess emissions.

16. State the dates you are requesting the variance to begin and end (the end date should be the date you expect to achieve compliance with the rules, regulations, and permit conditions). Please overestimate the time needed to allow for any contingencies.

Begin variance: 6/11/2025 End variance: 6/24/2025

17. Please state if you need special time designations. For example: "*We need 15 non-consecutive days between such and such date.*"

A total of 48 non-consecutive hours within the two week period.

18. If a variance, or series of variances, is to extend beyond one year, you must attach a *Schedule of Increments of Progress* pursuant to Rule 5050 –*Compliance Schedule* which must specify certain dates or milestones to be met in achieving compliance.

19. List the names of any District personnel who are familiar with the facility (inspectors, permit engineers, etc.) or with whom facility representatives have had contact concerning this variance petition, or any related NOV or NTC.

Steve Miller, Clay Bishop

Based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete:

Date: 5/27/26 ***Signature:** [signature]

Title: Environmental Director

Print Name: Matthew Jalali

**must be signed by a responsible official if petitioner is a Title V source*

The original petition in this format, and any attachments must be submitted to the District. Any attachments that are extraordinarily difficult to reproduce, such as full color photographs, must be submitted as six copies. Petitions which are incomplete, illegible, submitted in the wrong format, or without the necessary filing fee will be returned. If you need assistance completing this petition and/or developing a compliance schedule, contact the Compliance Department in your region.

Northern Region Office	Central Region Office	Southern Region Office
(209) 557-6440	(559) 230-5950	(661) 392-5540

You may hand deliver, mail, or email this petition to variance@valleyair.org

Table 1: Tanks and Other Equipment Without VRS During Variance Period

Equipment	Permit No.
Storage Tank #24M03	S-33-100
Storage Tank #24M04	S-33-101

Table 2 – Permit Conditions Requiring Operation of the VRS or to Maintain System Leak-Free

Equipment	Permit No.	Conditions					
Storage Tank #24M03	S-33-100	3	4	6	9	11	12
Storage Tank #24M04	S-33-101	3	4	6	9	11	12