



air pollution control district
SANTA BARBARA COUNTY

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Permit to Operate 15455-R1
and
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EQUIPMENT OWNER:

Freeport-McMoRan Oil & Gas, LLC.

EQUIPMENT OPERATOR:

Freeport-McMoRan Oil & Gas, LLC.

EQUIPMENT LOCATION:

17100 Calle Mariposa Reina, Goleta

STATIONARY SOURCE/FACILITY:

The Point Arguello Project
Gaviota Oil Heating Facility

SSID: 01325
FID: 01325

EQUIPMENT DESCRIPTION:

The equipment subject to this permit is listed in the table at the end of this permit.

PROJECT/PROCESS DESCRIPTION:

This permit authorizes the operation of one emergency standby diesel powered firewater pump at the Gaviota Oil Heating Facility (GOHF). This permit addresses requirements of the State's Airborne Toxic Control Measure for Stationary Compression Ignition Engines (DICE ATCM). On March 17, 2005 District Rule 202 {*Exemptions to Rule 201*} was revised to remove the compression-ignited engine (e.g., diesel) permit exemption for units rated over 50 brake horsepower (bhp). That exemption was removed to allow the District to implement the DICE ATCM. This engine was formerly permitted on PTO 5704-R5 however, in preparation for the decommissioning of the Gaviota Oil Heating Facility and the cancellation of PTO 5704-R5, this unit was placed on a separate permit. This is the first triennial reevaluation of PT-70 PTO 15455.

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9.A Standard Administrative Conditions

The following federally enforceable administrative permit conditions apply to the GOHF. In the case of a discrepancy between the wording of a condition and the applicable District rule, the wording of the rule shall control.

- A.1 **Condition Acceptance.** Acceptance of this operating permit by FM O&G shall be considered as acceptance of all terms, conditions, and limits of this permit.
[Re: ATC 5704]
- A.2 **Grounds for Revocation.** Failure to abide by and faithfully comply with this permit shall constitute grounds for the APCO to petition for permit revocation pursuant to California Health & Safety Code Section 42307 *et seq.* [Re: ATC 5704]
- A.3 **Reimbursement of Costs.** All reasonable expenses, as defined in District Rule 210, incurred by the District, District contractors, and legal counsel for all activities related to the implementation of Regulation XIII (*Part 70 Operating Permits*) that follow the issuance of this PTO permit, including but not limited to permit condition implementation, compliance verification and emergency response, directly and necessarily related to enforcement of the permit shall be reimbursed by FM O&G as required by Rule 210. [Re: ATC 5704; Rule 210]
- A.4 **Access to Records and Facilities.** As to any condition that requires for its effective enforcement the inspection of records or facilities by the District or its agents, FM O&G shall make such records available or provide access to such facilities upon notice from the District. Access shall mean access consistent with California Health and Safety Code Section 41510 and Clean Air Act Section 114A. [Re: ATC 5704]
- A.5 **Compliance.** Nothing contained within this permit shall be construed to allow the violation of any local, State or Federal rules, regulations, ambient air quality standards or air quality increments. [Re: ATC 5704]
- A.6 **Injunctive Relief.** In addition to any administrative remedies or enforcement provided hereunder, the District may seek and obtain temporary, preliminary, or permanent injunctive relief to prohibit violation of the conditions set forth herein or to mandate the conditions set forth herein or to mandate compliance with the conditions herein. All remedies and enforcement procedures set forth herein shall be in addition to any other legal or equitable remedies provided by law. [Re: ATC 5704]

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- A.7 **Consistency with Analysis.** Operation under this permit shall be conducted consistent with all written data, specifications and assumptions included with the application and supplements thereof (as documented in the District's project file), and with the District's analyses under which this permit is issued as documented in the permit analyses prepared for and issued with this permit. *[Re: ATC 5704]*
- A.8 **Consistency with State and Local Permits.** Nothing in this permit shall relax any air pollution control requirement imposed on this facility by the State of California or the California Coastal Commission in any consistency determination for the Project with the California Coastal Act. *[Re: ATC 5704]*
- A.9 **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 reissuance, 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), District Rule 1303.D.1]*

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- A.10 **Emergency Provisions.** The permittee shall comply with the requirements of the District, Rule 505 (Upset/Breakdown rule) and/or District 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 District, in writing, a “notice of emergency” within two (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. *[Re: 40 CFR 70.6(g), District Rule 1303.F]*
- A.11 **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: District Rule 1302.D.2]*
- A.12 **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: District Rule 1303.D.2]*
- A.13 **Severability.** In the event that any condition herein determined to be invalid, all other conditions shall remain in force. *[Re: District Rules 103 and 1303.D.1]*
- A.14 **Permit Life.** The Part 70 permit shall become invalid three years from the date of issuance unless a timely and complete renewal application is submitted to the District. Any operation of the source to which this Part 70 permit is issued beyond the expiration date of this Part 70 permit and without a valid Part 70 operating permit (or a complete Part 70 permit renewal application) shall be a violation of the CAAA, § 502(a) and 503(d) and of the District rules.

The permittee shall apply for renewal of the Part 70 permit no later than 180-days before the permit expiration date. Upon submittal of a timely and complete renewal application, the Part 70 permit shall remain in effect until the Control Officer issues or denies the renewal application. *[Re: District Rule 1304.D.1]*

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- A.15 **Payment of Fees.** The permittee shall reimburse the District for all its Part 70 permit processing and compliance expenses 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 District and the USEPA pursuant to section 502(a) of the Clean Air Act. *[Re: District Rules 1303.D.1 and 1304.D.11, 40 CFR 70.6(a)(7)]*
- A.16 **Prompt Reporting of Deviations.** The permittee shall submit a written report to the District 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 District in accordance with Rule 505 *Breakdown Conditions*, or Rule 1303.F *Emergency Provisions*. *[District Rule 1303.D.1, 40 CFR 70.6(a) (3)]*
- A.17 **Reporting Requirements/Compliance Certification.** The permittee shall submit compliance certification reports to the USEPA and the Control Officer every six months. A paper copy, as well as, a complete PDF electronic copy of these reports, shall be in a format approved by the District. These reports shall be submitted on District 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: District Rules 1303.D.1, 2.c; 1302.D.3]*
- A.18 **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 District-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.19 **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;

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- (e) The results of such analyses; and
- (f) The operating conditions as existing at the time of sampling or measurement;

The records (electronic or hard copy), 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 District upon request. *[Re: District Rule 1303.D.1.f, 40 CFR 70.6(a)(3)(ii)(A)]*

A.20 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 that 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 District 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 District 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 cause to reopen exists. 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)]*

A.21 Risk Management Plan – Section 112r. FM O&G shall comply with the requirements of 40 CFR 68 on chemical accident prevention provisions. The annual compliance certification, if required, must include a statement regarding compliance with this part, including the registration and submission of the risk management plan (RMP).
[Re: 40 CFR 68]

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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. In case of a discrepancy between the wording of a condition and the applicable federal or District 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 District Rule 303. *[Re: District Rule 301]*

B.2 Visible Emissions (Rule 302). FM O&G 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 Ringlemann 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 the flare (intermittent) and emergency firewater pump, FM O&G shall determine compliance with this Condition/Rule, as specified below:

Intermittent Flare. For planned flaring, a visible emissions inspection for a one-minute period shall be performed once per quarter during a planned flaring event. For each unplanned flaring event exceeding four hours in duration, a visible emissions inspection for a one-minute period shall be performed. For both planned and unplanned events, if visible emissions are detected during any inspection, then a USEPA Method 9 visible emission evaluation (VEE) shall immediately be performed. For planned flaring, the VEE shall be for a six-minute period or the duration of the flaring event, whichever is shorter. For unplanned flaring, the VEE shall be for six-minutes or the remaining duration of the flaring event beyond four hours, whichever is shorter. FM O&G staff certified in VEE shall perform the VEE and maintain logs in accordance with USEPA Method 9. The start-time and end-time of each visible emissions inspection shall be recorded in a log, along with a notation identifying whether visible emissions were detected.

Diesel ICEs and Turbines. Once per calendar quarter FM O&G shall perform a visible emissions inspection for a one-minute period on each permitted and exempt engine or turbine, when operating. A VEE is not required for any turbine or turbine starter engine not operating on the day

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of the quarterly inspection. If visible emissions are detected during any inspection, then a USEPA Method 9 visible emission evaluations (VEE) shall immediately be performed for a six-minute period. FM O&G staff certified in VEE shall perform the VEE and maintain logs in accordance with USEPA Method 9. The start-time and end-time of each visible emissions inspection shall be recorded in a log, along with a notation identifying whether visible emissions were detected.

FM O&G shall obtain District approval of the Visible Emissions Log required by this condition. All VEE sheets and records shall be maintained consistent with the recordkeeping condition of this permit.

For the purposes of this condition, “certified in VEE” shall mean that each individual assigned to perform a VEE has completed Smoke School Training and obtained certification in accordance with Method 9, section 3. Continued certification every six months is required. *[Re: District Rule 302]*

- B.3 **Nuisance (Rule 303).** No pollutant emissions from any source at this facility shall create nuisance conditions. Operations shall not endanger health, safety or comfort, nor shall they damage any property or business. *[Re: District Rule 303]*
- B.4 **PM Concentration – Southern Zone (Rule 305).** FM O&G shall not discharge into the atmosphere, from any source, particulate matter in excess of the concentrations listed in the PM concentrations listed in the table included in this rule. *[Re: District Rule 305]*
- B.5 **Specific Contaminants (Rule 309).** FM O&G shall not discharge into the atmosphere from any single source sulfur compounds and combustion contaminants (particulate matter) in excess of the applicable standards listed in Sections A through E of Rule 309. *[Re: District Rule 309]*.
- B.6 **Sulfur Content of Fuels (Rule 311).** FM O&G shall not burn fuels with a sulfur content in excess of 0.5% (by weight) for liquid fuels and 238 ppmvd (50 gr/100 scf calculated as H₂S) for gaseous fuel. *[Re: District Rule 311]*
- B.7 **Organic Solvents (Rule 317).** FM O&G shall comply with the emission standards listed in Rule 317.B. Compliance with this condition shall be based on FM O&G compliance with facility inspections. *[Re: District Rule 317]*
- B.8 **Metal Surface Coating Thinner and Reducer (Rule 322).** The use of photochemically reactive solvents as thinners or reducers in metal surface coatings is prohibited. Compliance with this condition shall be based on FM O&G compliance with facility inspections. *[Re: District Rule 322]*

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- B.9 **Architectural Coatings (Rule 323.1).** FM O&G shall comply with the rule requirements for any architectural coating that is supplied, sold, offered for sale, or manufactured for use within the District. *[Re: District Rules 323, 317, 322, 324]*
- B.10 **Disposal and Evaporation of Solvents (Rule 324).** FM O&G shall not dispose through atmospheric evaporation of more than one and a half gallons of any photochemically reactive solvent per day. Compliance with this condition shall be based on FM O&G compliance with facility inspections. *[Re: District Rule 324]*
- B.11 **Adhesives and Sealants (Rule 353).** FM O&G shall not use adhesives, adhesive bonding primers, adhesive primers, sealants, sealant primers, or any other primers, unless the permittee complies with the following:
- (a) Such materials used are purchased or supplied by the manufacturer or suppliers in containers of 16 fluid ounces or less; or alternately
 - (b) When FM O&G uses such materials from containers larger than 16 fluid ounces and the materials are not exempt by Rule 353.B.1, the total reactive organic compound emissions from the use of such material shall not exceed 200 pounds per year unless the substances used and the operational methods comply with Sections D, E, F, G, and H of Rule 353. Compliance shall be demonstrated by recordkeeping in accordance with Section B.2 and/or Section O of Rule 353. *[Re: District Rule 353]*
- B.12 **Boilers, Water Heaters, and Process Heaters (0.075 – 2 MMBtu/hr) (Rule 360):** This rule applies to any person who supplies, sells, offers for sale, installs, or solicits the installation of any new water heater, boiler, steam generator or process heater for use within the District with a rated heat input capacity greater than or equal to 75,000 Btu/hour up to and including 2,000,000 Btu/hour. There are no new units at this facility that are subject to this rule.
- B.13 **Boilers, Steam Generators, and Process Heaters (Between 2 – 5 MMBtu/hr) (Rule 361):** The permittee shall comply with the requirements of District Rule 361 whenever a new boiler, process heater or other external combustion device is added or an existing unit is replaced that is rated between 2 to 5 MMBtu/hr.
- B.14 **Emergency Episode Plan.** During emergency episodes, FM O&G shall implement the District-approved (February 2005) Emergency Episode Plan.
- B.15 **Oil and Gas MACT.** FM O&G shall maintain records in accordance with 40 CFR Part 63, Subpart A--General Provisions, Sec. 63.10 (b)(3), to demonstrate the black oil exemption applies per 40 CFR 63.760(e)(1). *[Re: 40 CFR 63, Subpart HH]*

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- B.16 **CARB Registered Portable Equipment.** State registered portable equipment shall comply with State registration requirements. A copy of the State registration shall be readily available whenever the equipment is at the facility. *[Re: District Rule 202]*

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9.C Requirements and Equipment Specific Conditions

This section contains non-generic federally-enforceable conditions, including emissions and operations limits, monitoring, recordkeeping and reporting for each specific equipment group. This section may also contain other non-generic conditions.

C.1 Diesel Fired Emergency Firewater Pump

- (a) Emission Limits. The mass emissions from the equipment permitted herein shall not exceed the values listed in Table 1. Emissions of PM and other pollutants shall not exceed the emissions standards listed in Table 2 of this permit. Compliance shall be based on the operational, monitoring, recordkeeping and reporting conditions of this permit.
- (b) Operational Limits. The equipment permitted herein is subject to the following operational restrictions listed below. Emergency use operations, as defined in Section (d)(25) of the ATCM¹, have no operational hours limitations.
 - (i) *Maintenance & Testing Use Limit:* The stationary emergency standby diesel-fueled CI engine subject to this permit, shall limit maintenance and testing² operations to no more than 2 hours per day and 200 hours per year.
 - (ii) *Fuel and Fuel Additive Requirements:* The permittee may only add CARB Diesel, or an alternative diesel fuel that meets the requirements of the ATCM Verification Procedure, or CARB Diesel fuel used with additives that meet the requirements of the ATCM Verification Procedure, or any combination of the above to the engine or any fuel tank directly attached to the engine.
 - (iii) *Maintenance Requirements:* Each engine shall comply with the following engine maintenance requirements:
 - (1) change the oil and filter every 500 hours of operation or annually, whichever comes first;
 - (2) inspect the air cleaner every 1,000 hours of operation or annually, whichever comes first, and

¹ As used in the permit, "ATCM" means Section 93115, Title 17, California Code of Regulations. Airborne Toxic Control Measure for Stationary Compression Ignition (CI) Engines

² "maintenance and testing" is defined in Section (d)(41) of the ATCM

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- (3) inspect all hoses and belts every 500 hours of operation or annually, whichever comes first.

In lieu of changing the oil and filter, the permittee may analyze the oil of each engine every 500 hours of operation or annually, whichever occurs first. The analysis shall measure the Total Base Number, the oil viscosity, and the percent water content. The oil and filter shall be changed if any of the following limits are exceeded:

- The tested Total Base Number is less than 30 percent of the Total Base Number of the oil when new.
- The tested oil viscosity has changed by more than 20 percent from the oil viscosity when new.
- The tested percent water content (by volume) is greater than 0.5 percent.

- (c) Monitoring. The diesel-fueled CI engine subject to this permit shall have installed a non-resettable hour meter with a minimum display capability of 9,999 hours, unless the District has determined (in writing) that a non-resettable hour meter with a different minimum display capability is appropriate in consideration of the historical use of the engine and the owner or operator's compliance history.

- (d) Recordkeeping. The permittee shall record and maintain the information listed below. Log entries shall be retained for a minimum of 36 months from the date of entry. Log entries made within 24 months of the most recent entry shall be retained on-site, either at a central location or at the engine's location, and made immediately available to the District staff upon request. Log entries made from 25 to 36 months from most recent entry shall be made available to District staff within 5 working days from request. District Form ENF-92 (*Diesel-Fired Emergency Standby Engine Recordkeeping Form*) can be used for this requirement:

- (i) emergency use hours of operation.
- (ii) maintenance and testing hours of operation.
- (iii) hours of operation for all uses other than for emergency use and maintenance and testing, along with a description of what those hours were for.

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- (iv) Fuel purchase records or a written statement on the fuel supplier's letterhead signed by an authorized representative of the company confirming that the fuel purchased is either CARB Diesel, or an alternative diesel fuel that meets the requirements of the Verification Procedure, or an alternative fuel, or CARB Diesel fuel used with additives that meet the requirements of the Verification Procedure, or any combination of the above (*Reference Stationary Diesel ATCM and Title 13, CCR, Sections 2281 and 2282*).
- (v) The sulfur content of each fuel shipment as documented by fuel supplier records (e.g. billing vouchers or bills of lading). On an annual basis, the heating value of the diesel fuel (Btu/gal) shall be recorded based on measurement by FM O&G or certified by the fuel supplier.
- (vi) The following maintenance records:
 - (1) The date of each oil and filter change, the number of hours of operation since the last oil change. If an oil analysis is performed, the records must include the date and results of each oil analysis and the Total Base Number and oil viscosity of the oil when new;
 - (2) The date of each air filter inspection and the number of hours of operation since the last air filter inspection. Indicate if the air filter was replaced as a result of the inspection;
 - (3) The date of each hose and belt inspection and the number of hours of operation since the last hose and belt inspection. Indicate if any hose or belt was replaced because of the inspection.
- (e) Semi-Annual Compliance Verification Reports: The permittee shall submit a report to the District every six months to verify compliance with the emission limits and other requirements of this permit. 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, and shall be in a format approved by the District, with one hard copy and one PDF copy. All logs and other basic source data not included in the report shall be available to the District upon request. The second report shall also include an annual report for the prior four quarters. The report shall include the following information:
 - (i) emergency use hours of operation.
 - (ii) maintenance and testing hours of operation.

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- (iii) hours of operation for all uses other than for emergency use and maintenance and testing, along with a description of what those hours were for.
- (iv) Fuel purchase records or a written statement on the fuel supplier's letterhead signed by an authorized representative of the company confirming that the fuel purchased is either CARB Diesel, or an alternative diesel fuel that meets the requirements of the Verification Procedure, or an alternative fuel, or CARB Diesel fuel used with additives that meet the requirements of the Verification Procedure, or any combination of the above (*Reference Stationary Diesel ATCM and Title 13, CCR, Sections 2281 and 2282*).
- (v) The sulfur content of each fuel shipment as documented by fuel supplier records (e.g. billing vouchers or bills of lading). On an annual basis, the heating value of the diesel fuel (Btu/gal) shall be recorded based on measurement by FM O&G or certified by the fuel supplier.
- (vi) The following maintenance records:
 - (4) The date of each oil and filter change, the number of hours of operation since the last oil change. If an oil analysis is performed, the records must include the date and results of each oil analysis and the Total Base Number and oil viscosity of the oil when new;
 - (5) The date of each air filter inspection and the number of hours of operation since the last air filter inspection. Indicate if the air filter was replaced as a result of the inspection;

The date of each hose and belt inspection and the number of hours of operation since the last hose and belt inspection. Indicate if any hose or belt was replaced because of the inspection.

- (f) Permanent Engine Replacements. Any E/S engine, firewater pump engine or engine used for an essential public service that breaks down and cannot be repaired may install a new replacement engine without first obtaining an ATC permit only if the requirements (a - f) listed herein are satisfied.
 - (i) The permitted stationary diesel IC engine is an E/S engine, a firewater pump engine or an engine used for an essential public service (as defined by the District).
 - (ii) The permitted engine breaks down, cannot be repaired and needs to be replaced by a new permitted engine.

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- (iii) The facility provides “good cause” (in writing) for the need to install a new permanent engine before an ATC can be obtained for a new engine.
- (iv) The new permanent engine must comply with the requirements of the ATCM for new engines. A temporary replacement engine may be used while the new permanent engine is being procured only if it meets the requirements of the *Temporary Engine Replacements - DICE ATCM* permit condition.
- (v) An ATC application for the new permanent engine must be submitted to the District within 15 days of the existing engine being replaced and the ATC must be obtained no later than 180 days from the date of engine replacement (these timelines include the use of a temporary engine).
- (vi) For each new permanent engine installed pursuant to this condition, the permittee shall submit a completed *Permanent IC Engine Replacement Notification* form (Form ENF-96) within 14 days of the new engine being installed. This form may be sent hardcopy, or can be e-mailed (e-mail: engr@sbcapcd.org) to the District (Attn: Engineering Supervisor).

Any engine installed pursuant to this permit condition shall be immediately shut down if the District determines that the requirements of this condition have not been met.

- (g) Temporary Engine Replacements - DICE ATCM. Any reciprocating internal combustion engine subject to this permit and the stationary diesel ATCM may be replaced temporarily only if the requirements (a-h) listed herein are satisfied:
 - (i) The permitted engine that is being temporarily replaced is in need of routine repair or maintenance.
 - (ii) The permitted engine does not have a cracked block, unless the block will be replaced under manufacturer’s warranty.
 - (iii) Replacement parts are available for the permitted engine.
 - (iv) The permitted engine is returned to its original service within 180 days of installation of the temporary engine.
 - (v) The temporary replacement engine has the same or lower manufacturer rated horsepower and same or lower potential to emit of each pollutant as the permitted engine. At the written request of the permittee, the District may approve a replacement engine with a larger rated horsepower if the proposed temporary

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engine has manufacturer guaranteed emissions (for a brand new engine) or source test data (for a previously used engine) less than or equal to the permitted engine.

- (vi) The temporary replacement engine shall comply with all rules and permit requirements that apply to the permitted engine.
- (vii) For each permitted engine to be temporarily replaced, the permittee shall submit a completed *Temporary IC Engine Replacement Notification* form (Form ENF-94) within 14 days of the temporary engine being installed. This form may be sent hardcopy, or can be e-mailed (e-mail: engr@sbcapcd.org) to the District (Attn: Engineering Supervisor).
- (viii) Within 14 days of returning the original permitted engine to service, the permittee shall submit a completed *Temporary IC Engine Replacement Report* form (Form ENF-95). This form may be sent hardcopy, or can be e-mailed (e-mail: engr@sbcapcd.org) to the District (Attn: Engineering Supervisor).

Any engine in temporary replacement service shall be immediately shut down if the District determines that the requirements of this condition have not been met. If the requirements of this condition are not met, the permittee must obtain an ATC before installing or operating a temporary replacement.

- (h) Notification of Non-Compliance. Owners or operators who have determined that they are operating their stationary diesel-fueled engine(s) in violation of the requirements specified in Sections (e)(1) of the ATCM shall notify the District immediately upon detection of the violation and shall be subject to District enforcement action.
- (i) Notification of Loss of Exemption. Owners or operators of in-use stationary diesel-fueled CI engines, who are subject to an exemption specified in Section (c) from all or part of the requirements of Section (e)(2), shall notify the District immediately after they become aware that the exemption no longer applies and pursuant to Section (e)(4)(F)(1) of the ATCM shall demonstrate compliance within 180 days after notifying the District.

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9.D District-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 District and the State of California.

- D.1 **Condition Acceptance.** Acceptance of this operating permit by the permittee shall be considered as acceptance of all terms, conditions, and limits of this permit.
- D.2 **Consistency with Analysis.** Operation under this permit shall be conducted consistent with all data, specifications and assumptions included with the application and supplements thereof (as documented in the District's project file), and with the District's analyses under which this permit is issued as documented in the Permit Analyses prepared for and issued with the permit.
- D.3 **Compliance.** Nothing contained within this permit shall be construed to allow the violation of any local, State or Federal rule, regulation, ambient air quality standard or air quality increment.

AIR POLLUTION CONTROL OFFICER

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Attachments:

- Table 1 - Diesel Engine Mass Emission Limits
- Diesel Engine Emission Factors (g/bhp-hr)
- Permit Equipment List
- Permit Evaluation for Permit to Operate 15455

Notes:

- Reevaluation Due Date: 7/01/2023
- Stationary sources are subject to an annual emission fee (see Fee Schedule B-3 of Rule 210).
- Semi-Annual reports are due by March 1st and September 1st of each year.

\\fs01\groups\enr\wp\oil&gas\major sources\ssid 01325 the point arguello project\01325 gaviota oil heating facility\pt-70 reeval 15455-r1\pt-70 reeval 15455 - draft permit - 10-24-2022.docx

TABLE 1. DIESEL ENGINE MASS EMISSION LIMITS

Device ID #	NO _x		ROC		CO		SO _x		PM		PM10		PM2.5	
	lb/day	tpy	lb/day	tpy	lb/day	tpy	lb/day	tpy	lb/day	tpy	lb/day	tpy	lb/day	tpy
000992	16.54	0.83	1.32	0.07	3.56	0.18	>0.01	>0.01	0.37	0.02	0.37	0.02	0.37	0.02

TABLE 2. DIESEL ENGINE EMISSION FACTORS (g/bhp-hr)

Device ID #	NO _x	ROC	CO	SO _x	PM	PM10	PM2.5
000992	14.06	1.12	3.03	0.01	0.31	0.31	0.31

Table Notes:

- Mass emission limits based on allowable maintenance and testing hours.
- NO_x as NO₂. SO_x as SO₂. PM means diesel PM.
- Device ID # from permit equipment list.
- lb/day = pounds per day. tpy = tons per year
- Emission data that round down to 0.00 has been set to a default of 0.01.

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Equipment List for Permit to Operate 15455

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PERMIT EQUIPMENT LIST - TABLE A

PTO 15455 / FID: 01325 Gaviota Oil Heating Facility / SSID: 01325

A PERMITTED EQUIPMENT

1 Emergency Firewater Pump

<i>Device ID #</i>	000992	<i>Maximum Rated BHP</i>	267.00
<i>Device Name</i>	Emergency Firewater Pump	<i>Serial Number</i>	64Z03820
<i>Engine Use</i>	Fire Water Pump	<i>EPA Engine Family Name</i>	
<i>Manufacturer</i>	Caterpillar	<i>Operator ID</i>	A-006
<i>Model Year</i>	1984	<i>Fuel Type</i>	CARB Diesel - ULSD
<i>Model</i>	3306D1		
<i>DRP/ISC?</i>	No	<i>Healthcare Facility?</i>	No
<i>Daily Hours</i>	2	<i>Annual Hours</i>	200
<i>Location</i>			
<i>Note</i>			
<i>Device Description</i>	Engine Use: Fire Water Pump Rating @ 2100 rpm Fuel: Diesel w/ HHV 19,620 Btu/lb; 0.05% wt S Engine Type: Lean/Non-Cyclic Device Grouping No: unknown Device SCC No: 2-02-001-02 Max Operating Hrs:2/day; 200/qtr; 200/yr		



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SANTA BARBARA COUNTY

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**PERMIT EVALUATION FOR
PERMIT TO OPERATE/PT70 PERMIT TO OPERATE 15455-R1**

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1.0 BACKGROUND

This permit authorizes the operation of an existing emergency standby diesel firewater pump at the Gaviota Heating Oil Facility. This unit was originally the subject of permit application PTO 11513 submitted in May 2005 and subsequently incorporated in PTO 5704-R2 in July 2005. On June 11, 2020, Permit to Operate/PT-70 PTO 15455 was issued to remove this engine from PTO 5704-R5 and place it on a separate permit in order to cancel PT-70/PTO 5704-R5 for GOHF which has been decommissioned.

2.0 DICE ATCM AND NESHAP COMPLIANCE

Owners of In-Use Stationary DICE E/S engines are subject to the requirements of Table 3 of the ATCM. The ATCM requires that the hours of operation be monitored with a non-resettable hour meter, that CARB Diesel Fuel be used (or approved alternative) and that detailed records of use be recorded and reported. The requirements of section 93115.6(b)(3) of the ATCM do not apply to in-use emergency fire pump assemblies that are driven directly by stationary diesel-fueled CI engines and only operated the number of hours necessary to comply with the testing requirements of National Fire Protection Association (NFPA) 25 "Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems."

The Federal NESHAP for reciprocating internal combustion engines (RICE NESHAP) established inspection and maintenance requirements for emergency standby diesel engines. The engine on this permit is subject to the maintenance requirements of the RICE NESHAP.

3.0 EMISSIONS

Mass emission estimates are based on the maximum allowed hours for maintenance and testing. Emissions are determined by the following equations:

$$\begin{aligned} E1, \text{ lb/day} &= \text{Engine Rating (bhp)} * EF \text{ (g/bhp-hr)} * \text{Daily Hours (hr/day)} * (\text{lb}/453.6 \text{ g}) \\ E2, \text{ tpy} &= \text{Engine Rating (bhp)} * EF \text{ (g/bhp-hr)} * \text{Annual Hours (hr/yr)} * (\text{lb}/453.6 \text{ g}) * (\text{ton}/2000 \text{ lb}) \end{aligned}$$

The emission factors (EF) were chosen based on the engine's rating and age. Unless engine specific data was provided, default emission factors are used as documented on the District's webpage at <http://www.ourair.org/dice/emission-factors/>. The engine subject to this permit is limited to 2 hours per day and 200 hours per year for maintenance and testing.

4.0 REEVALUATION REVIEW (not applicable)

5.0 AQIA

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**PERMIT EVALUATION FOR
PERMIT TO OPERATE/PT70 PERMIT TO OPERATE 15455-R1**

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

6.0 OFFSETS/ERCs

Offsets: The emission offset thresholds of Regulation VIII are exceeded for the Point Arguello Project Stationary Source for NOx and ROC.

ERCs: Emission reduction credits are not required for this permit.

7.0 AIR TOXICS

An air toxics health risk assessment was not performed for this permitting action.

8.0 CEQA / LEAD AGENCY

The District is the lead agency under CEQA for this project. This project is exempt from CEQA pursuant to the Environmental Review Guidelines for the Santa Barbara County APCD (revised April 30, 2015). Appendix A.1.i (*APCD Projects Exempt from CEQA and Equipment or Operations Exempt from CEQA*) provides an exemption specifically for Permits to Operate and reevaluations thereof. No further action is necessary.

9.0 SCHOOL NOTIFICATION

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

10.0 PUBLIC and AGENCY NOTIFICATION PROCESS

This project was not subject to public notice.

Draft comments, if any, may be found in the final permit attachment.

11.0 FEE DETERMINATION

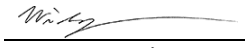
Fees for this permit are assessed under the cost reimbursement provisions of Rule 210.

12.0 RECOMMENDATION

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

William Sarraf
AQ Engineer

October 24, 2022
Date


Supervisor

10/24/2022
Date

13.0 ATTACHMENTS

A. IDS Tables

ATTACHMENT A

IDS TABLES

PERMIT POTENTIAL TO EMIT

	NO _x	ROC	CO	SO _x	PM	PM ₁₀	PM _{2.5}
lb/day	16.54	1.32	3.56	0.00	0.37	0.37	0.37
lb/hr							
TPQ							
TPY	0.83	0.07	0.18	0.00	0.02	0.02	0.02

FACILITY POTENTIAL TO EMIT

	NO _x	ROC	CO	SO _x	PM	PM ₁₀	PM _{2.5}
lb/day	225.83	436.01	459.11	7.75	71.06	71.06	71.06
lb/hr							
TPQ							
TPY	36.84	51.07	92.09	3.92	13.13	13.13	13.13

STATIONARY SOURCE POTENTIAL TO EMIT

	NO _x	ROC	CO	SO _x	PM	PM ₁₀	PM _{2.5}
lb/day	9,261.48	2,834.19	4,606.28	264.35	1,130.36	1,113.00	819.00
lb/hr							
TPQ							
TPY	795.86	335.58	484.46	110.89	73.80	72.28	55.46

Notes:

- (1) Emissions in these tables are from IDS.
- (2) Because of rounding, values in these tables shown as 0.00 are less than 0.005, but greater than zero.