

California Environmental Quality Act (CEQA)

NOTICE OF EXEMPTION

TO: Contra Costa County
County Clerk-Recorder
555 Escobar Street
Martinez, CA 94553

FROM: Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 94105

SUBJECT: FILING OF NOTICE OF EXEMPTION PURSUANT TO CEQA § 21152(b) AND CEQA GUIDELINES § 15062.

Project Title: Phillips 66 Company – Issuance of an Altered Permit to Operate for One Internal Roof Tank, Source 18 (Air District Application 703147).

Public Agency Approving Project (Lead Agency): Bay Area Air Quality Management District (Air District), 375 Beale Street, Suite 600, San Francisco, CA 94105; Contact Person: Ali Roohani, Senior Air Quality Engineer; Telephone: (415) 749-4707; Email: aroohani@baaqmd.gov

Project Applicant and Entity Carrying Out Project: Phillips 66 Company.

Project Applicant Mailing Address: 1300 Canal Boulevard, Richmond, CA 94804.

Project Applicant Contact Person: Chris Huy, Senior Environmental Consultant, Phillips 66; Telephone: (562) 508-7893; Email: chris.m.huy@p66.com

Project Location: 1300 Canal Boulevard, Richmond, Contra Costa County, CA 94804; Nearest Cross Street: Canal Blvd and Seacliff Drive.

Project Description:

The Air District has issued an alteration to the Permit to Operate for the following existing source:

S-18 TANK #3951
Internal Floating Roof Tank, Volume: 634,000 Gallons, Organic Liquid Stored: Ethanol, Maximum Annual Throughput: 61,320,000 gallons per year, Maximum Daily Throughput: 168,000 gallons per day, Maximum True Vapor Pressure: 0.84 psia

Phillips 66 has proposed installing a new ethanol pump (PMP-7000) at the newly proposed ethanol truck offloading area, located directly in front of the S-18. S-18 was historically permitted to store both ethanol and gasoline, however, with this application the facility is proposing to store only ethanol in S-18. According to the facility, the current pump (PMP-51C) can no longer operate at its intended capacity and therefore requires replacement; however, it will remain in service as a backup unit until the end of its operational life.

The addition of a new pump at the ethanol offloading site at S-18 will introduce fugitive emission components. However, even with the addition of associated precursor organic compound (POC) fugitive emissions, the total annual post-project POC emissions from S-18 will be lower than pre-project emissions because S-18 will no longer store gasoline. To keep this application as an alteration, the facility agreed to a daily throughput limit of

168,000 gallons per day. This throughput limit is the historical maximum throughput observed at S-18. Using this maximum daily throughput, the annual throughput will also get reduced from the existing 75,598,160 gallons per year limit to 61,320,000 gallons per year. This results in an annual POC emission reduction from 1,340.0 pounds per year to 521.8 pounds per year.

S-18 does not trigger best available control technology (BACT) review since daily emissions are estimated to be at 1.43 pounds per day which is below the 10 pounds per day threshold for BACT review. Offsets will not be necessary for this project since there is no emission increase associated with the proposed changes. There are no toxic air contaminants (TACs) associated with this project and a health risk assessment is not required.

Finding of Exemption:

The issuance of the Permit to Operate is ministerial, so it is not subject to CEQA (Public Resources Code § 21080(b)(1); CEQA Guidelines § 15268(a)). The Air District has also determined that this permit action is exempt from CEQA because the project involves only a minor alteration to an existing facility, which is subject to the "Class 1" categorical exemption with negligible or no expansion of the existing use (CEQA Guidelines § 15301).

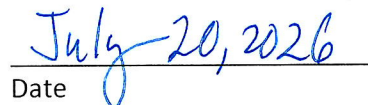
Reasons for Exemption:

Approval of this permit application is not subject to CEQA because it is ministerial. The Air District's regulatory requirements that governed the approval of this project did not allow for any subjective judgement related to whether or how the project may be carried out. The project complied with objective numerical standards in the Air District's permitting rules, which do not allow for or require any subjective judgment or discretion to interpret or apply. The Air District is legally compelled to approve the project where it complies with such standards. In addition, neither a Best Available Control Technology (BACT) nor a Best Available Control Technology for Toxics (TBACT) determination were required.

Additionally, the project is a minor alteration to an existing facility with negligible or no expansion of existing use. The addition of the new pump, combined with the introduction of the throughput limit and the switch from ethanol and gasoline to only ethanol, is the type of minor change to which this exemption applies.



Pamela J. Leong
Director of Engineering
Bay Area Air Quality Management District



Date