PETITION FOR VARIANCE
BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

PETITIONER: Tesoro Refining & Marketing Company LLC - Los Angeles Refinery-Wilmington Operations

CASE NO: 4982-139

FACILITY IDs: 800436

FACILITY ADDRESSES: 2101 E. Pacific Coast Highway

City, State, Zip: Wilmington, CA 90810

1. TYPE OF VARIANCE REQUESTED

☒ INTERIM ☒ SHORT ☐ REGULAR ☒ EMERGENCY ☐ *EX PARTE* EMERGENCY

Tesoro Marketing & Refining Company LLC ("Petitioner" or "Tesoro") respectfully submits to the District Hearing Board this Petition for an interim/emergency and short variance from District Rules 203(b), 2004(f)(1), and 3002(c)(1) to provide more time to achieve stable, effective operation of new equipment that is designed to reduce emissions of nitrogen oxides ("NOx"). Petitioner is undertaking a complex NOx emission reduction project that includes the installation of a new Selective Catalytic Reduction ("SCR") (Device No. C1762) to serve a new boiler, Boiler No. 12 (Device No. D1760). Thus far, the project has drastically reduced NOx over the last several weeks; however, the SCR for Boiler No. 12 malfunctioned on December 22, 2025. Petitioner needs time to implement strategies or repairs to optimize the SCR's emission control.

Petitioner is diligently taking steps to expedite the work, and there is a slight chance Petitioner might be able to achieve normal operations within 30 days, before January 27, 2026; however, a short variance petition is filed in the event more time is required for different phases of Petitioner's compliance plan.

2. CONTACT: Name, title, company (if different than Petitioner), address, and phone number of persons authorized to receive notices regarding this Petition (no more than two authorized persons).

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3. RECLAIM Permit ☒ Yes ☐ No Title V Permit ☒ Yes ☐ No

4. **GOOD CAUSE:** Explain why your petition was not filed in sufficient time to issue the required public notice. (Required only for Emergency and Interim Variances; see Attachment A)

Good cause exists to grant this petition because Petitioner discovered issues associated with the new SCR during startup activities on December 22, 2025 and responded immediately. Prior to December 22, 2025, Petitioner conducted inspections and maintenance of the boiler and SCR and believed both were in good condition to operate effectively. Following the December 22, 2025 startup, elevated NOx emissions were observed. Petitioner is now expediting maintenance activities for the new SCR to improve NOx removal efficiency.

The SCR serves Boiler No. 12 (Device No. D1760), which is part of the refinery's Steam Generation Process 18, System 1. Flue gases from the boiler are routed to the SCR for control of NOX emissions from the boiler. The SCR uses catalyst and ammonia injection to reduce NOx. The Emissions and Requirements in the permit equipment description require that on a 30-day average, NOX emissions not exceed 2.5 parts per million by volume ("ppmv") and that NOx emissions remain below 3 ppmv on a daily basis, according to Section H of Petitioner's June 26, 2025 facility permit ("Permit").

The new boiler and new SCR began operation in November 2025 and have reduced NOx emissions drastically. Boiler No. 12 and another boiler, Boiler No. 11, were installed to replace older boilers that emitted approximately up to 99 parts per million by volume ("ppmv") of NOx per day.[1] In contrast, before the boiler and SCR encountered the December 22nd malfunction, they were averaging 2 ppmv NOx per day, below the Permit daily limit of 3 ppmv NOx.

Though the new boiler and SCR have reduced emissions, the start-up process for the equipment has been challenging because this is the first project at the refinery involving installation of a new sizeable boiler with an SCR. Petitioner did not anticipate that the new SCR would encounter operational issues upon start-up.

The issues that Petitioner has observed on the new SCR are unusual, and Petitioner has steadily been making progress to achieve compliance. This week Petitioner's activities have included:

- During the weekend of December 20 and 21, Petitioner inspected the SCR and associated ammonia equipment. Maintenance was performed where needed to ensure SCR efficacy (i.e. sealing gaps in the SCR modules).
- On December 22, Petitioner started up Boiler No. 12. After startup, Petitioner discovered and resolved plugging on the ammonia scrubber for the NOx analyzer. This issue caused inaccurate readings on the NOx analyzer.
- On December 23, 2025, Petitioner made several attempts to achieve NOx limits. Petitioner attempted to react any ammonia that had potentially laid up on the SCR catalyst and to increase the temperature for a more efficient reaction. Specifically, Petitioner in consultation with the SCR manufacturer, Peerless, increased ammonia pre-heat temperature to enhance NOx removal. Despite these efforts, NOx levels fluctuated between 15 ppmv to 37 ppmv. In addition to adjusting temperatures on the SCR, it was determined that the ammonia vaporizer was not yet reaching ideal temperatures for emission control and also exhibited high and low cycling. These conditions suggested that

[1] In about 2008, Petitioner's predecessor in interest began to plan the project to replace the Boiler House boilers (Boilers 7, 8, 9, and 10) to improve the reliability of refinery operations and to enhance compliance with the Regional Clean Air Incentives Market ("RECLAIM") rule.

the vaporizer was not fully atomizing ammonia into the system. Although temperatures were increased for the ammonia vaporizer, NOx levels remained above 20 ppmv.

- Because attempts to achieve NOx reductions had not succeeded, on December 24, 2025, Petitioner determined that with readings as high as 37 ppmv NOx, the boiler would be exceeding the 30-day average NOx limit in the Permit (2.5-ppmv) on December 25, 2025. In response, Petitioner reported a breakdown of the SCR at 1:52 a.m. on December 25, 2025. Because the 25th was a holiday, Petitioner followed up by providing notice of its intention to file a variance at 7:55 p.m., as required under Rule 430(d). Petitioner further determined that the boiler would not be able to achieve the 3.0-ppmv daily NOx limit as well starting on December 26, 2025.

Because issues with the SCR were not anticipated and Petitioner acted immediately to mitigate and resolve the condition, good cause exists to grant this variance and provide Petitioner adequate time for additional maintenance activities. Because the issues associated with the SCR arose less than 10 days ago, there has not been adequate time to request a noticed hearing on this matter on 10 days' notice.

5. Briefly describe the type of business and processes at your facility.

Petitioner is a refiner that operates the Los Angeles Refinery-Wilmington Operations ("LARW"). LARW utilizes refinery fuel gases produced during refining for equipment like the boiler at issue in this petition. Any significant discrepancy between the amount of refinery fuel gas produced and consumed within a refinery can lead to a refinery fuel gas imbalance. LARW also utilizes steam for energy for essential refinery operations, and a loss of steam would disrupt normal operations and require unplanned shutdowns of affected refinery units, causing flaring and emissions greater than those associated with this variance request. As a result, the relief sought in this variance request will result in lesser emissions than shutting down affected refinery equipment.

6. List the equipment and/or activity(s) that are the subject of this petition.

Relevant Excerpts from the Facility Permit are attached hereto as **Attachment 1**.

PPC Equipment/Activity	Application/ Permit No.	RECLAIM Device No.	Date Application/Plan Denied (if relevant)
Boiler No. 12 (Process 18, System 1)	N/A	D1760	N/A
Selective Catalytic Reduction ("SCR") *	N/A	C1762	N/A

* Only the boiler requires variance coverage under this request and the SCR is listed for information purposes only.

7. Briefly describe the activity or equipment, and why it is necessary to the operation of your business. A schematic or diagram may be attached, in addition to the descriptive text.

The SCR (Device No. C1762) is essential to reduce NOx emissions from Boiler No. 12. Boiler No. 12 is part of the refinery's steam production process and essential to ensure stable refinery operations. The refinery's steam production drives various steam-driven pumps across the

refinery in support of process operation and provides heat medium for numerous refinery heat exchangers across the site.

Boiler No. 12 and two other boilers (Boiler No. 11 and the Auxiliary H-43 ("AUX") Boiler) are needed at the refinery to provide steam. At least two of these three boilers must be kept operating at capacity to ensure steam production to supply energy to essential refinery equipment. The AUX Boiler is currently not in operation; therefore, at this time, Petitioner has planned a phased approach to achieve compliance. Currently, Petitioner must keep Boiler No. 12 and Boiler No. 11 in operation to avoid a curtailment of steam while Petitioner completes maintenance activities to the AUX Boiler, which will require at least two weeks' time.

8. Is there a regular maintenance and/or inspection schedule for this equipment: ☒ Yes ☐ No

If yes, how often: Daily

Date of last maintenance and/or inspection: December 21, 2025

Describe the maintenance and/or inspection that was performed.

There is a regular maintenance and inspection schedules in place for the boiler and SCR. The boiler and SCR undergo olfactory, visual, and/or audible inspections during daily rounds. The most recent relevant inspections occurred on December 25, 2025. Starting on December 18, 2025, Petitioner conducted an inspection of the SCR after completing startup-related maintenance activities on the boiler. Operators shut the boiler down from December 18, 2025 through December 22, 2025 and conducted inspection and maintenance on the boiler and SCR to ensure good operating conditions.

The new equipment, when operational, will achieve South Coast AQMD NOx limits under Rule 1109.1, which became effective in November 2021. That rule requires approximately 220 pieces of NOx equipment to be retrofitted with pollution controls which range from $10 million to $70 million per project, and $179 million to $1 billion per refinery. (See South Coast AQMD Rule 1109.1 webpage https://www.aqmd.gov/home/rules-compliance/compliance/1109-1.) In addition, South Coast recognizes that the Rule 1109.1 emission reduction projects are "complex projects [that] require significant engineering, design, planning, logistics, funding, order/delivery, installation, and commissioning." (*Ibid.*) Although Petitioner's emission reduction project originated before Rule 1109.1, it involves the complexities the South Coast AQMD acknowledged during Rule 1109.1 rulemaking.

9. List all District rules, and/or permit conditions from which you are seeking variance relief. Briefly explain how you are or will be in violation of each rule or condition.

Rule	Explanation
Rules 203(b), 2004(f)(1) and 3002(c)(1)	These rules require that a facility permit holder comply at all times with all permit conditions applicable to its facility. Petitioner will be unable to comply with the conditions specified below for Boiler No. 12 (D1760):
Equipment Descriptions	The equipment description for the boiler requires NOx limits of 3 ppmv daily and 2.5 ppmv averaged over 30 days. Petitioner cannot comply with these conditions until the SCR is operating normally to control NOx levels.
Permit Condition A99.22	This condition provides that the 3-ppmv NOx limit does not apply during boiler commissioning, startup, and shutdown periods but that startup and shutdown periods cannot exceed 48 hours each. Boiler

	No. 12 and the SCR began startup on December 22, 2025. Petitioner will not be able to comply with this daily limit until a long-term solution for the SCR is implemented.
Permit Condition A99.23	This condition provides that the 2.5-ppmv NOx limit does not apply during boiler commissioning, startup, and shutdown periods but that startup and shutdown periods cannot exceed 48 hours each. Boiler No. 12 and the SCR began startup on December 22, 2025. On December 24, 2025, Petitioner determined that it would not be able to comply with this condition until a long-term solution for the SCR is implemented.
Administrative Condition Nos. E.3, E.4, E.7, E.8, and K.8	The first sentence of Administrative Condition E.3 provides that Petitioner's permit "does not authorize the emissions of contaminants in excess of those allowed by Division 26 of the Health and Safety Code of California or the Rules and Regulations of the AQMD." Condition E.4 prohibits the operation of equipment unless the associated air pollution control equipment is in "full use." The first sentence of Administrative Condition E.7 provides that the facilities "shall maintain and operate all equipment to ensure compliance with all emission limits as specified in this facility permit." Similarly, the first sentence of Administrative Condition E.8 provides and Administrative Condition K.8 requires that equipment comply with applicable rules and regulations. Petitioner cannot comply with these administrative conditions until a long-term solution for the SCR is implemented.

10. Are the equipment or activities subject to this request currently under variance coverage? Yes ☐ No ☒

Case No.	Date of Action	Final Compliance Date	Explanation
			Not applicable.

11. Are any other equipment or activities at this location currently (or within the last six months) under variance coverage? ☐ Yes ☒ No

Case No.	Date of Action	Final Compliance Date	Explanation
			Not applicable.

12. Were you issued any Notice(s) of Violation or Notice(s) to Comply concerning this equipment or activity within the past year? ☐ Yes ☒ No If yes, you must attach a copy of each notice.

13. Have you received any complaints from the public regarding the operation of the subject equipment or activity within the last six months? ☐ Yes ☒ No

Not applicable.

14. Explain why it is beyond your reasonable control to comply with the rule(s) and/or permit condition(s):

It is beyond Petitioner's reasonable control to comply with the rules and permit conditions specified in paragraph 9, above, until Petitioner implements a long-term solution for the SCR. Petitioner anticipated that the SCR associated with Boiler No. 12 would function properly upon startup on December 22, as reflected in paragraph 4, above. There is a chance that Petitioner might be able to achieve compliance within approximately 30 days; however, if new replacement catalyst for the SCR is required to solve the emission control issues, more time is needed through approximately March 2026.

Compliance is beyond Petitioner's reasonable control because the SCR malfunction was unexpected, and Petitioner cannot at this time shut down the SCR to repair it. An SCR shutdown requires Boiler No. 12 to shut down; however. Boiler No. 12 must remain online, as explained in paragraph 7, above.

The monitoring and preparation for the SCR and Boiler No. 12 startup indicated that the SCR would operate well upon startup. On December 18, 2025, the SCR for Boiler No. 12 was shut down proactively to remove debris Petitioner discovered inside a fuel gas line associated with a fuel gas meter. The debris caused flow restriction within the line and prevented normal operations. Also on December 18, 2025, Petitioner resolved the flow restriction issue and began to start up the boiler and SCR in the evening; however, within approximately 90 minutes of startup, the boiler experienced malfunctioning and was shut down.

After the boiler shutdown on December 18, 2025, from December 18 through December 22, Petitioner conducted inspection and maintenance on the boiler and SCR to prepare the equipment for startup and operation. The interior of the SCR was inspected where the device contains catalyst beds that react with flue gas from the boiler and reduce NOx. All the catalyst beds were new and expected to be in good operating condition, but an internal inspection found a few catalyst beds were dislocated. Maintenance was performed where needed to ensure SCR efficacy (i.e. sealing gaps in the SCR modules).

Petitioner has acted diligently and immediately to identify and resolve the malfunction in the SCR. The installation of the SCR and boiler may be the first project of this magnitude in the South Coast air quality basin and is complex. Petitioner is taking immediate steps to carry out maintenance measures. Petitioner will continue to work diligently through weekends during daylight and evening hours to complete all necessary work.

Petitioner must keep two of its three boilers – Boiler No. 11, Boiler No. 12, and the AUX Boiler – in operation at capacity to avoid disruption to steam supply at the refinery. The AUX boiler is currently shut down to repair steam condensate leaks, and Boiler Nos. 11 and 12 are relied upon to supply all the steam needs of the refinery. Petitioner has developed a compliance plan that allows it to repair the AUX boiler then shut down Boiler No. 12 to repair it when new catalyst and/or needed parts arrive in approximately March 2026.

Preliminary findings indicate that an SCR catalyst replacement is required to improve SCR NOx removal effectiveness. The current Permit-specified vendor/model requires a three-month lead time to order and ship. Petitioner, therefore, may not be able to achieve compliance until the replacement catalyst has been installed. It is estimated that this would be approximately in March 2026.

15. When and how did you first become aware that you would not be in compliance with the rule(s) and/or permit condition(s)?

See paragraphs 4 and 14.

16. What actions have you taken since that time to achieve compliance:

See paragraphs 4 and 14.

17. What would be the harm to your business during and/or after the period of the variance if the variance were not granted?

Denial of the variance would result in harm to Petitioner. Petitioner is taking steps to address the malfunction of the SCR. Petitioner now needs additional time to implement long-term maintenance to the SCR. Denial of this variance would subject the Petitioner to fines or penalties while it is diligently working to optimize the SCR. Denial of this variance would upset stable refinery operations, pose potential impacts or imbalances to the refinery steam production system, and increase emissions if Petitioner were forced to attempt an immediate, unplanned shut down of Boiler No. 12. This variance request avoids increased emissions and will resolve the issues with the SCR in an expediated manner.

Petitioner supplies petroleum products to customers throughout the western United States. If Petitioner were denied a variance, the refinery would likely need to attempt an unplanned shutdown of Boiler No. 12, and this would affect the regional petroleum markets because Petitioner would need to curtail certain equipment that requires steam being produced by Boiler No. 12. The refinery follows a prescribed steam curtailment procedure, and the number of units that come down depends on steam inventory at the refinery and other variables. The procedure is planned and coordinated with all affected refinery equipment.

Further, a shutdown of Boiler No. 12 would lead to reduced production of petroleum products, which in an already very tight gasoline market, would lead to an increase in gasoline prices. The southern California fuel market is experiencing a reduction of gasoline production at this time because the Phillips 66 refinery has shut down. Any further reduction in gasoline production poses a risk of a fuel shortages that could affect prices of gasoline for consumers during the winter holiday season. Additionally, forcing Petitioner to shut down the boiler to repair the SCR will result in significant financial penalties to Petitioner in terms of lost production and lost sales and could adversely impact Petitioner's ability to meet its contractual arrangements. Petitioner estimates that it would experience short-term economic losses in excess of $1 million dollars per day.

LARW relies on steam from Boiler No. 12 as energy for essential refinery operations, and a loss of steam would disrupt normal operations and require unplanned shutdowns of affected refinery units, causing flaring and emissions greater than those associated with this variance request. Obtaining a variance will result in less emission that shutting down the affected refinery equipment.

18. Can you curtail or terminate operations in lieu of, or in addition to, obtaining a variance? Please explain.

Petitioner cannot safely curtail or terminate use of Boiler No. 12 to avoid obtaining the variance because doing so would cause the adverse impacts outlined in paragraph 17, above.

Curtailing or eliminating the use of the SCR is not possible or prudent because it controls NOx emissions.

19. Estimate excess emissions, if any, on a daily basis, including, if applicable, excess opacity (the percentage of total opacity above 20% during the variance period). IF the variance will result in no excess emissions, skip to No. 20.

Pollutant	(A) Total Estimated Excess Emissions (lbs/day)	(B) Reduction Due to Mitigation (lbs/day)	(C) Net Emissions After Mitigation (lbs/day)
Petitioner is calculating excess NOx from the new boiler, Boiler No. 12. Petitioner's overall emissions are well below normal operating levels associated with the prior boilers (Boiler Nos. 7, 8, 9, and 10.)			

*Column A minus Column B = Column C

Excess Opacity: N/A %

20. Show calculations used to estimate quantities in No.19, **or** explain why there will be no excess emissions.

See Paragraph 19.

21. Explain how you plan to reduce (mitigate) excess emissions during the variance period to the maximum extent feasible, or why reductions are not feasible.

Petitioner proposes to reduce excess emissions to the maximum extent practicable by adhering to the following

Proposed Variance Conditions:

1. Petitioner shall phase in maintenance activities for the SCR (Device No. C1762) that serves Boiler No. 12 (Device No. D1760) in following manner:
   a. Complete maintenance to the AUX Boiler as soon as practicable;
   b. Shut down Boiler No. 12 for SCR maintenance once all required parts and/or catalyst arrive.
2. During the variance period, Petitioner shall, on a daily basis, monitor the SCR (Device No. C1762) and Boiler No. 12 (Device No. D1760) when the units are in operation and shall record one set of readings per day with regard to SCR temperature and pressure. For the first two weeks of the variance period, Petitioner shall electronically mail to Inspector Oscar Nieto Mora (omora@aqmd.gov) every Wednesday by 5 p.m. the temperature and pressure of the SCR for the past week. Thereafter, during the variance period, so long as the temperature and pressure remain stable and continuous within the average of the first two weeks, Petitioner shall record one set of readings per day with regard to temperature and pressure and shall electronically notify Inspector Oscar Nieto Mora (omora@aqmd.gov) if the temperature or pressure change from the average.
3. Petitioner shall, as soon as practicable, finalize a maintenance strategy for the SCR (Device No. C1762) which shall include consideration of a catalyst replacement and other measures Petitioner's inspection determines to be necessary. Petitioner shall

commence planning and preparation to ensure that Petitioner electronically mails to Inspector Oscar Nieto Mora (omora@agmd.gov) a brief narrative describing the maintenance strategy before the end of the interim variance period.

4. Petitioner shall commence planning and preparation to ensure that Petitioner submits to South Coast AQMD, attention Inspector Oscar Nieto Mora (omora@aqmd.gov) a report on the cause of the malfunction in the SCR (Device No. 1762) and the maintenance strategy to bring the unit back to normal operation, within 30 days of finalizing the maintenance for the SCR. The Breakdown written report can also meet this requirement.
5. Petitioner shall notify the District at 1-800-CUT-SMOG and by telephone and e-mail to its inspector, Oscar Nieto Mora, at (310)233-7006 and omora@aqmd.gov at least 24 hours prior to shutting down the SCR (Device No. C1762) to inspect the SCR.
6. During maintenance activities, Petitioner shall work as quickly as possible, including on weekends and during daylight and evening hours, to conduct work that enables Petitioner to repair the SCR (Device No. C1762).
7. In the event that Boiler No. 12 (Device No. D1760) experiences a trip or malfunction during the variance period that requires shutdown of the device and affected refinery equipment, Petitioner shall (i) notify Inspector Oscar Nieto Mora (omora@aqmd.gov) within one hour; (ii) report a breakdown pursuant to Rule 430; and (iii) upon re-start of Boiler No. 12 (Device No. D1760) reduce NOx emissions in other combustion devices in the refinery.
8. Petitioner shall provide records electronically to Inspector Oscar Nieto Mora (omora@aqmd.gov) showing stable operation of the SCR following maintenance.
9. If compliance is achieved during the interim Variance Period, Petitioner shall notify Inspector Oscar Nieto Mora (omora@aqmd.gov) via electronic mail, and by calling 1-800-CUT-SMOG (Attn: Oscar Nieto Mora) to report compliance within two (2) hours of achieving final compliance.
10. Petitioner shall notify the District at 1-800-CUT-SMOG and Inspector Oscar Nieto Mora (omora@aqmd.gov) when compliance is achieved.
11. Petitioner shall notify the clerk of the board when compliance is achieved.
12. Petitioner shall pay all applicable fees to the Clerk of the Hearing Board or the variance shall be invalidated pursuant to Rule 303(k), except for excess emissions fees, which shall be paid within fifteen (15) days of notification in writing that the fees are due, unless otherwise ordered by the Hearing Board.

22. How do you plan to monitor or quantify emission levels from the equipment or activity(s) during the variance period, and to make such records available to the District? Any proposed monitoring does not relieve RECLAIM facilities from applicable missing data requirements.

See paragraph 19. Emissions shall be quantified using applicable emission calculation methodologies that apply to the equipment at issue.

23. How do you intend to achieve compliance with the rule(s) and/or permit condition(s)? Include a detailed description of any equipment to be installed, modifications or processes changes to be made, permit conditions to be amended, etc., dates by which the actions will be completed, and an estimate of total costs.

See paragraphs 4 and 14. Petitioner is currently in the process of implementing additional maintenance measures that will allow the affected equipment to maintain compliance with more long-term repairs.

24. State the date by which you expect to achieve final compliance: On or about March 31, 2026

If the regular variance is to extend beyond one year, you **must** include a **Schedule of Increments of Progress**, specifying dates or time increments for steps needed to achieve compliance.

Not applicable

25. List the names of any District personnel with whom facility representatives have had contact concerning this variance petition or related Notice of Violation or Notice to Comply.

Oscar Nieto Mora, omora@aqmd.gov (310) 233-7006

FOR THE FOREGOING REASONS, Petitioner requests that it be granted the relief requested.

Dated: December 26, 2025

Respectfully Submitted,

Viviana L. Heger
DUANE MORRIS

Attorneys for Petitioner
TESORO REFINING & MARKETING COMPANY LLC

FACILITY PERMIT TO OPERATE
TESORO REFINING AND MARKETING CO, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 18:STEAM GENERATION					
BOILER, BO-12, WITH LOW NOX BURNER, NATURAL GAS, PROCESS GAS, REFINERY GAS, BABCOCK AND WILCOX, MODEL EDFM180-165, (PROCESS GAS FROM FUME SCRUBBER OF P21/S2), 520.4 MMBTU/HR WITH A/N: 635310 Permit to Construct Issued: 10/26/23	D1760	D449 D450 C1762	NOX: MAJOR SOURCE**; SOX: MAJOR SOURCE**	**CO**: 27 PPMV (30 DAY AVG) (4) [**RULE 1703(a)(2) - PSD-BACT, 10-7-1988**]; **CO**: 35 PPMV AT 24 HRS. (4) [**RULE 1703(a)(2) - PSD-BACT, 10-7-1988**]; **CO**: 400 PPMV (5) [RULE 1109.1, 11-5-2021]; **CO**: 2000 PPMV (5A) [**RULE 407, 4-2-1982**]; **HAP**: (10) [**40CFR 63 Subpart DDDDD, 10-6-2022**]; **NOX**: 0.2 LBS/MMBTU (8) [**40CFR 60 Subpart Db, 2-27-2014**]; **NOX**: 2.5 PPMV (30 DAY AVG) (4) [**RULE 2005, 12-4-2015**]; **NOX**: 3 PPMV AT 24 HRS. (4) [**RULE 2005, 12-4-2015**]; **NOX**: 5 PPMV (5) [RULE 1109.1, 11-5-2021]; **NOX**: 13 LBS/MMSCF NATURAL GAS (WITH SCR) (1) [**RULE 2012, 2-5-2016**]; **NOX**: 16.1 LBS/MMSCF REFINERY GAS (WITH SCR) (1) [**RULE 2012, 2-5-2016**]; **NOX**: 130 LBS/MMSCF NATURAL GAS (WITHOUT SCR) (1) [**RULE 2012, 5-6-2005;** *RULE 2012, 11-3-2023*]; **NOX**: 161 LBS/MMSCF REFINERY GAS (WITHOUT SCR) (1) [**RULE 2012, 2-5-2016**]; **PM**: 0.01 GRAINS/SCF (5A) [**RULE 476, 10-8-1976**]; **PM**:	A63.14, A99.20, A99.21, A99.22, A99.23, A99.24, A99.25, A195.24, A195.25, A195.26, A195.27, A195.28, A195.29, B61.12, C1.66, D29.21, D82.7, D82.8, D90.22, H23.48, H23.49, H23.50, I297.1, I297.2, K40.4, K67.20

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
TESORO REFINING AND MARKETING CO, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 18:STEAM GENERATION					
BURNER, NATURAL GAS, PROCESS GAS, REFINERY GAS, JOHN ZINK, MODEL ECOJET, WITH LOW NOX BURNER, 2 TOTAL; 520.4 MMBTU/HR				0.1 GRAINS/SCF (5) [**RULE 409, 8-7-1981**]; **PM**: 11 LBS/HR (5B) [**RULE 476, 10-8-1976**]; **SOX**: 0.6 LBS/MMSCF NATURAL GAS (1) [**RULE 2011, 2-5-2016**]; **SOX**: 6.76 LBS/MMSCF REFINERY GAS (1) [**RULE 2011, 2-5-2016**]	
SELECTIVE CATALYTIC REDUCTION, FIXED BED REACTOR, VANADIUM-TITANIUM-TUNGSTEN CATALYST, UMICORE, MODEL DNX, OR APPROVED EQUIVALENT CATALYST, 681.5 CU.FT.; WIDTH: 14 FT ; HEIGHT: 15 FT 6 IN; LENGTH: 3 FT 2 IN WITH A/N: 635312 Permit to Construct Issued: 10/26/23 AMMONIA INJECTION	C1762	D1760 S1764		**NH3**: 5 PPMV (4) [**RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.30, D12.20, D12.21, D12.22, D29.22, D82.9, E73.9, E519.3
STACK, VENTING SCR NO. 2, HEIGHT: 120 FT ; DIAMETER: 7 FT 5.5 IN A/N: 635312 Permit to Construct Issued: 10/26/23	S1764	C1762			

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
TESORO REFINING AND MARKETING CO, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

[Devices subject to this condition : D1755, D1760]

A99.21 The 6.76 LBS/MMSCF SOX emission limit(s) shall only apply during the interim reporting period to report RECLAIM emissions. The interim emissions factors are 6.76 lbs SOx/MMscf refinery gas and 0.60 lbs SOx/MMscf natural gas. The interim reporting period shall not exceed 12 months from the initial startup date.

[RULE 2011, 2-5-2016]

[Devices subject to this condition : D1755, D1760]

A99.22 The 3 PPM NOX emission limit(s) shall not apply during boiler commissioning, startup, and shutdown periods. Startup or shutdown time shall not exceed 48 hours per startup or shutdown and the number of scheduled startups shall not exceed 2 per calendar year. The commissioning period shall not exceed 224 operating hours from the date of initial startup. The operator shall provide the South Coast AQMD written notification of the initial startup date. Written records of commissioning and startups shall be maintained and made available to the SCAQMD.

[RULE 2005, 12-4-2015]

[Devices subject to this condition : D1755, D1760]

A99.23 The 2.5 PPM NOX emission limit(s) shall not apply during boiler commissioning, startup, and shutdown periods. Startup or shutdown time shall not exceed 48 hours per startup or shutdown and the number of scheduled startups shall not exceed 2 per calendar year. The commissioning period shall not exceed 224 operating hours from the date of initial startup. The operator shall provide the South Coast AQMD written notification of the initial startup date. Written records of commissioning and startups shall be maintained and made available to the SCAQMD.

[RULE 2005, 12-4-2015]

[Devices subject to this condition : D1755, D1760]

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SECTION E: ADMINISTRATIVE CONDITIONS

The operating conditions in this section shall apply to all permitted equipment at this facility unless superseded by condition(s) listed elsewhere in this permit.

1. The permit shall remain effective unless this permit is suspended, revoked, modified, reissued, denied, or it is expired for nonpayment of permit processing or annual operating fees. [201, 203, 209, 301]
   a. The permit must be renewed annually by paying annual operating fees, and the permit shall expire if annual operating fees are not paid pursuant to requirements of Rule 301(d). [301(d)]
   b. The Permit to Construct listed in Section H shall expire one year from the Permit to Construct issuance date, unless a Permit to Construct extension has been granted by the Executive Officer or unless the equipment has been constructed and the operator has notified the Executive Officer prior to the operation of the equipment, in which case the Permit to Construct serves as a temporary Permit to Operate. [202, 205]
   c. The Title V permit shall expire as specified under Section K of the Title V permit. The permit expiration date of the Title V facility permit does not supercede the requirements of Rule 205. [205, 3004]
2. The operator shall maintain all equipment in such a manner that ensures proper operation of the equipment. [204]
3. This permit does not authorize the emissions of air contaminants in excess of those allowed by Division 26 of the Health and Safety Code of the State of California or the Rules and Regulations of the SCAQMD. This permit cannot be considered as permission to violate existing laws, ordinances, regulations, or statutes of other governmental agencies. [204]
4. The operator shall not use equipment identified in this facility permit as being connected to air pollution control equipment unless they are so vented to the identified air pollution control equipment which is in full use and which has been included in this permit. [204]

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SECTION E: ADMINISTRATIVE CONDITIONS

5. The operator shall not use any equipment having air pollution control device(s) incorporated within the equipment unless the air pollution control device is in full operation. [204]

6. The operator shall maintain records to demonstrate compliance with rules or permit conditions that limit equipment operating parameters, or the type or quantity of material processed. These records shall be made available to SCAQMD personnel upon request and be maintained for at least: [204]

   a. Three years for a facility not subject to Title V; or

   b. Five years for a facility subject to Title V.

7. The operator shall maintain and operate all equipment to ensure compliance with all emission limits as specified in this facility permit. Compliance with emission limits shall be determined according to the following specifications, unless otherwise specified by SCAQMD rules or permit conditions: [204]

   a. For internal combustion engines and gas turbines, measured concentrations shall be corrected to 15 percent stack-gas oxygen content ou a dry basis and be averaged over a period of 15 consecutive minutes; [1110.2, 1134, 204]

   b. For other combustion devices, measured concentrations shall be corrected to 3 percent stack-gas oxygen content on a dry basis and be averaged over a period of 15 consecutive minutes; [1146, 1146.1, 204]

   c. For a large NOx source, compliance with a RECLAIM concentration limit shall be measured over a continuous 60 minutes for that source; [2012]

   d. For non-combustion sources, compliance with emission limits shall be determined and averaged over a period of 60 minutes; [204]

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SECTION E: ADMINISTRATIVE CONDITIONS

e. For the purpose of determining compliance with Rule 407, carbon monoxide (CO) shall be measured on a dry basis and be averaged over 15 consecutive minutes, and sulfur compounds which would exist as liquid or gas at standard conditions shall be calculated as sulfur dioxide (SO2) and be averaged over 15 consecutive minutes; [407]

f. For the purpose of determining compliance with Rule 409, combustion contaminant emission measurements shall be corrected to 12 percent of carbon dioxide (CO2) at standard conditions and averaged over 15 consecutive minutes. [409]

g. For the purpose of determining compliance with Rule 475, combustion contaminant emission measurements shall be corrected to 3 percent of oxygen (O2) at standard conditions and averaged over 15 consecutive minutes or any other averaging time specified by the Executive Officer. [475]

8. All equipment operating under the RECLAIM program shall comply concurrently with all SCAQMD Rules and Regulations, except those listed in Table 1 of Rule 2001 for NOx RECLAIM sources and Table 2 of Rule 2001 for SOx RECLAIM sources. Those provisions listed in Tables 1 or 2 shall not apply to NOx or SOx emissions after the date the facility has demonstrated compliance with all monitoring and reporting requirements of Rules 2011 or 2012, as applicable. Provisions of the listed SCAQMD rules in Tables 1 or 2 which have initial implementation dates in 1994 shall not apply to a RECLAIM NOx or SOx source, respectively. [2001]

9. The operator shall, when a source test is required by SCAQMD, provide a source test protocol to SCAQMD no later than 60 days before the proposed test date. The test shall not commence until the protocol is approved by SCAQMD. The test protocol shall contain the following information: [204, 304]

a. Brief description of the equipment tested.

Reopening for Cause

7. The Executive Officer will reopen and revise this permit if any of the following circumstances occur:

   (A) Additional regulatory requirements become applicable with a remaining permit term of three or more years. Reopening is not required if the effective date of the requirement is later than the expiration date of this permit, unless the permit or any of its terms and conditions has been extended pursuant to paragraph (f)(4) of Rule 3004.

   (B) The Executive Officer or EPA Administrator determines that this permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of this permit.

   (C) The Executive Officer or EPA Administrator determines that the permit must be revised or revoked to assure compliance with the applicable requirements. [3005(g)(1)]

COMPLIANCE PROVISIONS

8. The operator shall comply with all regulatory requirements, and all permit terms and conditions, except:

   (A) As provided for by the emergency provisions of condition no. 17 or condition no. 18, or

   (B) As provided by an alternative operating condition granted pursuant to a federally approved (SIP-approved) Rule 518.2.

   Any non-compliance with any federally enforceable permit condition constitutes a violation of the Federal Clean Air Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or denial of a permit renewal application. Non-compliance may also be grounds for civil or criminal penalties under the California State Health and Safety Code. [3004(a)(7)(A)]