UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TEXAS 75202 – 2733

August 27, 2018

Ms. Denise Rogers, Compliance Manager
Texas Gulf Terminals Inc.
1401 McKinney, Suite 1500
Houston, TX 77010

RE: Completeness Review for the Section 112(g) of the Clean Air Act Determination Request for Texas Gulf Terminals Inc.

Dear Ms. Rogers:

EPA has reviewed the Texas Gulf Terminals Inc. (TGTI) request for a Case-By-Case Maximum Available Control Technology (MACT) determination submitted in accordance with section 112(g) of the Clean Air Act (CAA) and received by EPA on July 13, 2018. At this time, EPA has determined that your 112(g) request is incomplete and a list of the information needed is included as an enclosure with this letter. Please notify us if a complete response is not possible by September 17, 2018.

The requested information is necessary for us to be able to make a decision on our intent to initially approve or disapprove your Section 112(g) case-by-case MACT application. If you have any questions concerning the review of your Section 112(g) application or the additional information we are requesting, please feel free to contact myself at (214) 665-6435 or Melanie Magee of my staff at (214) 665-7161.

Sincerely,

X

Jeffrey Robinson

Air Permits Section Chief

Enclosure

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ENCLOSURE

EPA Region 6 112(g) Application Completeness Review Comments for TGTI

MACT:

1) Please provide a detailed technical analysis to support your application statement that the proposed TGTI project and its design is not a "similar source" to those sources currently regulated in 40 CFR 63 - Subpart Y including any details or analysis of the technical differences between your proposed project and those regulated in Subpart Y. *See* 40 CFR 63.43(e)(1) (incorporating the principles of MACT determinations set forth in 40 CFR 63.43(d)). To establish if a source is similar or not similar, please review the definition of "similar source" as defined in 40 CFR 63.41. In general, a similar source has *comparable emissions*, structurally *similar in design and capacity* and *could be controlled using the same control technology*.

2) Additional information is needed to evaluate the performance of similar sources for the MACT floor analysis. Single Point Mooring (SPM) systems are not considered a new design and have been in use for various marine loading operations. It is important to first understand the current use of SPMs based on their design and capacity. Please provide reviewed references and supporting contacts/vendors used to identify current SPM operations. Based on the database searches or vendor data, please identify existing operations that utilize SPMs for marine loading. From the identified list of SPMs, do any of the SPM's utilize a method of Vapor Emissions Control (VEC)? If so, please provide a supporting analysis that would technically illustrate whether the control would, or would not, be feasible for the for the proposed TGTI operation based on volumetric loading differences or other operational parameters that might exist. Are there any SPMs operating in water depths greater than 90 feet, and if so, please describe any operational and/or air pollution control equipment to reduce Hazardous Air Pollutant (HAP) and/or Volatile Organic Compound (VOC) emissions? Also, please provide any other additional analysis you may have to supplement your application that discusses why sources using some form of VEC while loading crude tankers offshore either are or are not considered similar sources to the project proposed by TGTI.

3) As discussed above, the utilization of control technologies identified from available information is an important principle of MACT determinations. As such, are there any known similar sources capturing and utilizing an additional subsea pipeline to route marine loading vapors back on-shore to an emissions control device? Are there any other regulatory or safety requirements (i.e., U.S. Coast Guard) that might prevent this type of potential control? If such a similar source exists, please remember to include any consideration for the costs and any associated non-air quality health and environmental impacts and energy requirements that might impact TGTI if such an option was considered for HAP control.

Compliance Considerations:

4) Please provide additional information to support the proposed method(s) for a continuous demonstration of compliance during Maintenance, Startup and Shutdown (MSS). The permit application does not appear to include emission calculations for MSS emissions (e.g., pigging, hydrostatic pressure tests on the SPM and hoses, or inspection/replacement of hoses) for marine loading. This demonstration may include best management practices and/or schedules for MSS.

5) The 112(g) application does not provide a compliance monitoring strategy for the marine loading operation or estimated control efficiency of the work practice standard. EPA requests that TGTI propose a monitoring, recordkeeping and reporting strategy to ensure enforceability of the proposed MACT work practice standard and an estimated control efficiency expected to be achieved with this work practice standard in accordance with section 112(h) of the CAA.

6) To provide continued compliance demonstration with the fugitive HAP emissions associated with the SPM buoy system, VOC management plans have been used to serve as an indicator of HAP emissions. The 112(g) application relies on a VOC Management Plan this is developed and maintained by the Very Large Crude Carrier (VLCC) and not TGTI. This VOC Management Plan is an important consideration and should be considered. However, TGTI should develop a Best Management Plan for the SPM buoy system that includes effective plan for ship/shore interface, cargo transfer operations (i.e., minimizing gas formation in cargo tanks), maintenance (i.e., pigging), environmental (i.e., Leak Detection and Repair [LDAR] program), safety and health considerations and emergency preparedness.

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