**BRIEFING SHEET - Texas Offshore Port System (TOPS)**

**Project Background:**

- Air permit application will be submitted late October 2008 as part of the Deepwater Port Act license application to be filed with the Maritime Administration / US Coast Guard.
- Project is similar to the LOOP project off the coast of Louisiana.
- Pipeline will carry crude oil only. Two interconnected platforms located 35 miles offshore.
- A pipeline will be constructed to tie into existing pipeline structure to Port Arthur and will eventually connect to the expanded Motiva Refinery. Some of the crude also goes ExxonMobil Baytown Refinery, likely through an existing pipeline.

**Project Issues/Questions:**

- 2 Platforms, located 35 miles offshore of the TX HGB non-attainment area. **Will non-attainment requirements apply (offsets/LAER)?**
- Facility cannot control incoming ship emissions, it only controls platform emissions. Company indicates TCEQ SIP requires company maintain emission rates for units under its "control" only. **What emissions must be included in PTE? How are operating scenarios modeled with no idea what type of ships will be offloading?**
- Projected NOx emission rate from turbines is 25 ppmvd. Facility's position - LAER does not apply (SCR on turbines) to reduce NOx and further indicated SCR use could introduce ammonia to platform, introducing problems. Facility defined BACT as applying - good management practices **BACT or LAER?**

**TOPS vs Louisiana Offshore Oil Port (LOOP)**

- LOOP located within 20 miles of Lafourche Parish, Louisiana. TOPS located within 35 miles of Brazoria County, TX.
- LOOP located offshore of attainment area. TOPS located offshore of non-attainment area.
- NEPA review for LOOP addressed onshore emissions, not offshore. NEPA review for TOPS will address both offshore and onshore emissions.
- LOOP does not have an air permit. EPA Enforcement will be contacted regarding the need for a PSD applicability determination. TOPS is applying for an air permit.

**Important Note:**

The company believes that by allowing ships to offload oil into the pipeline 35 miles offshore, significant air pollution and traffic congestion will be prevented around the Houston / Sabine Pass ports. Every barrel of oil that is offloaded at the DPA terminal results in that much less oil that has to be lightered. They are considering development of an estimate of the amount of reductions that could occur. However, there is no guarantee that the freed up existing ship traffic would not be used by other shippers to meet the need for additional crude imports.

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Date: September 5, 2008