Message

From: Michael.Hopkins@epa.ohio.gov [Michael.Hopkins@epa.ohio.gov]
Sent: 4/17/2018 2:11:44 PM
To: Topinka, Natalie [topinka.natalie@epa.gov]
CC: Breneman, Sara [breneman.sara@epa.gov]; Dickens, Brian [dickens.brian@epa.gov]; Loukeris, Constantinos [loukeris.constantinos@epa.gov]; Olson, Erik [olson.erik@epa.gov]; Damico, Genevieve [damico.genevieve@epa.gov]; Peachey, Robert [peachey.robert@epa.gov]
Subject: RE: GP 12.1/2 and NSPS OOOO/a

Yes, sorry, where I said MACT I meant NSPS OOOO. Note that OOOOa is not in the GP.

Mike

Michael E. Hopkins, P.E.
Assistant Chief, Permitting
Division of Air Pollution Control

50 W. Town St., Ste. 700
P.O. Box 1049
Columbus, OH 43216-1049
(614) 644-3611 (614) 644-3681 F
Mike.hopkins@epa.ohio.gov

Ohio Environmental Protection Agency

From: Topinka, Natalie <topinka.natalie@epa.gov>
Sent: Tuesday, April 17, 2018 10:09 AM
To: Hopkins, Michael <Michael.Hopkins@epa.ohio.gov>
Cc: Breneman, Sara <breneman.sara@epa.gov>; Dickens, Brian <dickens.brian@epa.gov>; Loukeris, Constantinos <loukeris.constantinos@epa.gov>; Olson, Erik <olson.erik@epa.gov>; Damico, Genevieve <damico.genevieve@epa.gov>; Peachey, Robert <peachey.robert@epa.gov>
Subject: RE: GP 12.1/2 and NSPS OOOO/a

Thanks, Mike. One clarifying question – you refer to the "MACT" in several places. Did you mean to say the NSPS OOOO/a, or is there also a particular MACT threshold that might be applicable to these sources?

Natalie M. Topinka
Environmental Scientist
U.S. Environmental Protection Agency, Region 5
Air Enforcement and Compliance Assurance Branch
77 West Jackson Boulevard (AE-18J)
Chicago, IL 60604
ph: (312) 886-3853
fax: (312) 692-2410

From: Michael.Hopkins@epa.ohio.gov [mailto:Michael.Hopkins@epa.ohio.gov]
Sent: Monday, April 16, 2018 2:51 PM

To: Topinka, Natalie <topinka.natalie@epa.gov>
Cc: Breneman, Sara <breneman.sara@epa.gov>; Dickens, Brian <dickens.brian@epa.gov>; Loukeris, Constantinos <loukeris.constantinos@epa.gov>; Olson, Erik <olson.erik@epa.gov>; Damico, Genevieve <damico.genevieve@epa.gov>
Subject: RE: GP 12.1/2 and NSPS OOOO/a

Natalie:

First, sorry it has taken so long for me to get back to you on this issue. I have now reviewed the GP 12.1/2 language and your questions.

These General Permits were written to allow for either a controlled or non-controlled scenario. Assuming the vessel has a potential to emit of more than 6 tons/yr from the vessel, if the operator had low enough emissions so that they could meet the 4.28 tons VOC/month averaged over a 12-month period limit (all vessels combined) and keep actual emissions below 4 tons/yr, then they would not need to install controls on the vessels.

When I look back at the permit language, it is somewhat confusing. However, the intent is to allow two main options:

- If an operator wants to avoid the MACT for the vessel, they have a permit that establishes a federally enforceable limit on the tank of less than 6 tons/yr. The limit is established in paragraph 6b)f.. The compliance method is described in 6b)f)(1). The compliance method does not say controls are required. They can still avoid the MACT by either demonstrating the potential emissions are less than 6 tons/yr or by keeping the actual emissions to less than 4 tons/yr. They need to follow the calculation method described in 6b)f)(1).
- If the operator could not establish avoidance of the MACT via the above method, then the permit requires them to install controls per the MACT.

Controls may also be required if they can't keep their emissions below the 4.28 tons VOC/month combined limit.

Note that my comments in this email are general in nature and may or may not fit any enforcement case issue you are dealing with. If you want us to look at the details of a particular case, we can do so and give you our opinion on how the permit requirements fit the enforcement case.

Please see my comments below in green/italics text.

I hope this helps. Please feel free to e-mail or call me if you have any questions or if something does not make sense.

Mike

Michael E. Hopkins, P.E.
Assistant Chief, Permitting
Division of Air Pollution Control

50 W. Town St., Ste. 700
P.O. Box 1049
Columbus, OH 43216-1049
(614) 644-3611 (614) 644-3681 F
Mike.hopkins@epa.ohio.gov

Ohio Environmental Protection Agency

From: Topinka, Natalie <topinka.natalie@epa.gov>
Sent: Thursday, February 15, 2018 3:33 PM
To: Hopkins, Michael <Michael.Hopkins@epa.ohio.gov>

Cc: Breneman, Sara <breneman.sara@epa.gov>; Dickens, Brian <dickens.brian@epa.gov>; Loukeris, Constantinos <loukeris.constantinos@epa.gov>; Olson, Erik <olson.erik@epa.gov>; Damico, Genevieve <damico.genevieve@epa.gov>
Subject: GP 12.1/2 and NSPS OOOO/a

Mike,

Many thanks to you and your colleagues for your time last Thursday. Below is a summary of how we understand the OEPA GP 12.1/2 permits and NSPS OOOO/a applicability based on our recent conversations. Please let us know any additional thoughts or clarifications you can share on this matter.

Background citations:
NSPS OOOO, at 40 C.F.R. § 60.5365 (e):

"Each storage vessel affected facility, which is a single storage vessel located in the oil and natural gas production segment, natural gas processing segment or natural gas transmission and storage segment, and has the potential for VOC emissions equal to or greater than 6 tpy as determined according to this section by October 15, 2013 for Group 1 storage vessels and by April 15, 2014, or 30 days after startup (whichever is later) for Group 2 storage vessels, except as provided in paragraphs (e)(1) through (4) of this section. The potential for VOC emissions must be calculated using a generally accepted model or calculation methodology, based on the maximum average daily throughput determined for a 30-day period of production prior to the applicable emission determination deadline specified in this section. The determination may take into account requirements under a legally and practically enforceable limit in an operating permit or other requirement established under a Federal, State, local or tribal authority."

OEPA GP 12.1/2, condition 6:

b) Applicable Emissions Limitations and/or Control Requirements

1) *f. "The permittee accepts a voluntarily* [sic] *limit to restrict the potential VOC emissions from each storage vessel to less than 6 tons per year.*

This text and rule was put into the permit in order to establish a legally and practically enforceable limit in an operating permit so that the NSPS would not apply to the storage vessels if the operators chose that approach.

f) Testing Requirements

Compliance with the Emission Limitations and/or Control Requirements specified in section b) of these terms and conditions shall be determined in accordance with the following methods:

(1) *Emissions limitation:*

For each storage vessels [sic] *not meeting the collection and control requirements of Part 60 Subpart OOOO, the potential annual VOC emissions must be documented to be less than 6 tons/year; or the uncontrolled actual VOC emissions shall be calculated to be less than 4 tons/year in accordance with 40 CFR 60.5395(d)(2) through monthly determinations.*

For each storage vessel with potential emissions equal to or greater than 6 tons VOC/year, reduce VOC emissions by 95.0% by installing a closed vent system designed and operated with no detectable emissions, that routes all gases, vapors, and fumes to a process or a combustion control device meeting the requirements of 40 CFR 60.5412(d) or 40 CFR 60.5413(d)."

The highlighted language does not require controls. It is saying if the NSPS controls are not installed, then they need to do the <6 ton/yr or <4 ton/yr demonstration.

Application of NSPS OOOO/a requirements under GP 12.1/2:
Per the permit provision 6.f)(1), the source must comply with the collection and control requirements of NSPS OOOO* in order to comply with the voluntary 6 TPY limit to PTE. That is, the collection and control requirements of OOOO, included as permit provision 6.f)(1), are the "requirements under a legally and practically enforceable limit in an operating permit" that may be taken into account when determining PTE under 40 C.F.R. § 60.5365(e). However, if sources are not meeting these collection and control requirements, they cannot take credit in their PTE calculations for complying with the voluntary 6 TPY limit to PTE (and thus may be storage vessel affected facilities under OOOO). PTE should be calculated without accounting for the reductions that would have otherwise been achieved by complying with the collection and control requirements (i.e. a source should not be able to take into account emissions reductions that it is not achieving).

The intend is to allow both options under the permit. The operator can decide to not install OOOO controls if they follow the NSPS 6 ton/yr or 4 ton/yr options.

**Although not defined in the GP 12.1/2 permits, EPA assumes the "collection and control requirements of Part 60 Subpart OOOO" refers to, at minimum, sections 60.5411 through 60.5413, and include a closed vent system and control device designed and operated to certain minimum standards specified in those sections.*

The intent was to follow the collection and control requirements in OOOO when controls are required. But controls are not required if they can avoid it through the OOOO mechanisms.

Regardless, the source must comply with the collection and control requirements of OOOO - either because it is a OOOO storage vessel affected facility, or through the permit provision 6.f)(1).

No, that is not correct. They can avoid controls.

Observations:
Some sources appear to be disregarding the permit requirement to meet the collection and control requirements of Part 60 Subpart OOOO. These sources assert that the GP 12.1/2 provision 6.b)1)f. (acceptance of a 6 tpy limit) functions as a blanket shield or exemption from rendering their storage vessels affected facilities under OOOO, regardless of the source's status of compliance with permit provision 6.f)(1) (the collection and control requirements of OOOO).

If they can demonstrate they meet the NSPS <6 or <4 criteria, and they follow the compliance determination method detailed in 6.f)(1), then they avoid the MACT under this permit.

In addition, in their PTE calculations, sources are accounting for emissions expected to be reduced by the vapor collection and control system (e.g., if a properly designed and operated vapor collection and control system would reduce emissions by 95%, sources are reporting their potential emissions as the total after taking a 95% reduction), regardless of any demonstration they are meeting the collection and control requirements and actually achieving the reductions. Sources have provided to US EPA their potential to emit calculations, which, without controls, are above 6 TPY VOC.

This does not sound right to me. The 6 TPY threshold is based on uncontrolled potential. I am not sure how they can do this calculation after controls.

Thanks,

Natalie

Natalie M. Topinka
Environmental Scientist
U.S. Environmental Protection Agency, Region 5
Air Enforcement and Compliance Assurance Branch

77 West Jackson Boulevard (AE-18J)
Chicago, IL 60604
ph: (312) 886-3853
fax: (312) 692-2410

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Building a Drug-Free Future

Did You Know: Children of parents who talk to their teens about drugs are up to 50% less likely to use. Start the conversation: StartTalking.Ohio.Gov

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