MEMORANDUM

TO: Joanna French P.E. JLF

FROM: Ravi Rangan, P.E. RR

SUBJECT: **Delaware City Refining Company**
7 DE Admin. Code 1130 Significant Permit Modification - PROPOSED
Permit: AQM-003/000016 – Part 1 (Renewal 2)(Revision 1)
Permit: AQM-003/000016 – Part 2 (Renewal 1)(Revision 1)
Permit: AQM-003/000016 – Part 3 (Renewal 2)(Revision 1)

DATE: February 22, 2017

BACKGROUND AND DISCUSSION

Delaware City Refining Company (DCRC) submitted AQM-1001 series applications for significant permit modifications to its 7 DE Admin. Code 1130 permit pursuant to 7 DE Admin. Code 1130 on March 6, 2014, May 15, 2015 and June 30, 2016. A "Draft/Proposed" significant permit modification to its operating permit was drafted by DAQ and advertised for public notice on December 28, 2016. The 30-day public review period expired on January 27, 2017. The Department did not receive any comments from the public and affected neighboring states, nor was there a request for a public hearing. However, the Department received four comments from the US EPA in an e-mail dated January 26, 2017 from David Talley addressed to Ravi Rangan. In DAQ's response document (crr17003.doc) dated February7, 2017, DAQ concurred with EPA's first 3 comments but continued to disagree with EPA's last comment regarding the 6-hour exemption from the NOx emission limit of 0.16 lb/mmBtu for Boilers 3 and 4 during periods of start-up and shut down of these units. DAQ now proposes to address EPA's concern by first, making the limited exemption state enforceable only, and second, by reinserting the RACT limit of 0.20 lb/mmBtu on a 24-hour rolling average basis. This applicable RACT limit had been omitted from the draft/proposed permit due to a transcription error. DAQ has developed the attached revised Part 3 "Proposed" significant permit modification for EPA's review.

RECOMMENDATION

In an e-mail dated February 22, 2017, EPA has indicated DAQ's proposed action has addressed its concerns. It is recommended that the attached Proposed permits (**Permit: AQM-003/000016 – Part 1 (Renewal 2)(Revision 1); Permit: AQM-003/000016 – Part 2 (Renewal 1)(Revision 1); and Permit: AQM-003/000016 – Part 3 (Renewal 2)(Revision 1)** be transmitted to EPA Region III for its review.

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pc: Dover Title V File