



Montana Department of  
**ENVIRONMENTAL QUALITY**

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August 6, 2009

Randall Richert, P.E., QEP  
ConocoPhillips Company  
Billings Refinery  
P.O. Box 30198  
Billings, MT 59107

Dear Mr. Richert:

Air Quality Permit #2619-25 is deemed final as of August 6, 2009, by the Department of Environmental Quality (Department). This permit incorporates specific requirements contained in the Consent Decree (CD) that ConocoPhillips has entered into with the U.S. Environmental Protection Agency (EPA) along with the Department. All conditions of the Department's Decision remain the same. Enclosed is a copy of your permit with the final date indicated.

For the Department,

Vickie Walsh  
Air Permitting Program Supervisor  
Air Resources Management Bureau  
(406) 444-3490

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Air Resources Management Bureau  
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Enclosure

Montana Department of Environmental Quality  
Permitting and Compliance Division

Air Quality Permit #2619-25

ConocoPhillips Company  
Billings Refinery  
P.O. Box 30198  
Billings, MT 59107

August 6, 2009



## MONTANA AIR QUALITY PERMIT

Issued to: ConocoPhillips Company  
Billings Refinery  
P.O. Box 30198  
Billings, MT 59107-0198

Permit: #2619-25  
Administrative Amendment (AA)  
Request Received: 06/12/09  
Department Decision on AA: 07/21/09  
Permit Final: 08/06/09  
AFS#: 111-0011

A Montana Air Quality Permit (MAQP), with conditions, is hereby granted to ConocoPhillips Company - Billings Refinery (ConocoPhillips), pursuant to Sections 75-2-204, 211, and 215 of the Montana Code Annotated (MCA), as amended, and the Administrative Rules of Montana (ARM) 17.8.740, *et seq.*, and 17.8.801, *et seq.*, as amended, for the following:

### SECTION I: Permitted Facilities

#### A. Plant Location – ConocoPhillips

ConocoPhillips operates a petroleum refinery located at 401 South 23<sup>rd</sup> Street, Billings, Montana, in the NW ¼ of Section 2, Township 1 South, Range 26 East, in Yellowstone County. A complete list of the permitted equipment for ConocoPhillips is contained in Section I.A of the Permit Analysis.

#### B. Plant Location - Jupiter Sulphur, LLC (Jupiter)

Jupiter operates a sulfur recovery facility, within the petroleum refinery area described above, at 2201 7<sup>th</sup> Avenue South, Billings, Montana. The facility is operated as a joint venture, of which ConocoPhillips is a partner. ConocoPhillips is responsible for maintaining air permit compliance at Jupiter's sulfur recovery facility. The Jupiter facility consists of three primary units: the Ammonium Thiosulfate (ATS) Plant, the Ammonium Sulfide Unit (ASD), and the Claus Sulfur and Tail Gas Treating Units (TGTUs). Jupiter's total sulfur recovery capacity is approximately 295 Long Tons per Day (LT/D) of sulfur, with a feed rate capacity from the ConocoPhillips' refinery of approximately 235 LT/D of sulfur. A complete list of the permitted equipment for Jupiter is contained in Section I.B of the Permit Analysis.

#### C. Current Permit Action

On June 12, 2009, the Department of Environmental Quality (Department) received a request from ConocoPhillips to administratively amend MAQP #2619-24 to include certain limits and standards. This amendment is in response to requirements contained in the Consent Decree (CD) that ConocoPhillips has entered into with the U.S. Environmental Protection Agency (EPA) along with the Department. The CD was set forth on December 20, 2001.

As a result of the requirements set forth within the CD, ConocoPhillips has requested the following limits and standards (agreed to by EPA) to be included in the MAQP:

The NO<sub>x</sub> emissions from the FCCU shall have a limit of 49.2 parts per million, volumetric dry (ppmvd), corrected to 0% O<sub>2</sub>, on a rolling 365-day average and 69.5 ppmvd, corrected to 0% O<sub>2</sub>, on a rolling 7-day average. Per Paragraph 27 of the above-referenced CD, the 7-day NO<sub>x</sub> emission limit established for the FCC shall not apply during periods of hydrotreater outages at the refinery, provided that ConocoPhillips is maintaining and operating its FCC

(including associated air pollution control equipment) in a manner consistent with good air pollution control practices for minimizing emissions in accordance with the EPA-approved good air pollution control practices plan.

## SECTION II: Conditions and Limitations

### A. Applicable Requirements

1. ConocoPhillips shall comply with all applicable requirements of ARM 17.8.340, which reference 40 CFR Part 60, Standards of Performance for New Stationary Sources (NSPS):
  - a. Subpart A - General Provisions applies to all equipment or facilities subject to an NSPS Subpart as listed below
  - b. Subpart Db - Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units shall apply to all affected boilers at the facility for which were constructed after June 19, 1984, are larger than 100 million British thermal units per hour (MMBtu/hr), and combust fossil fuel. ConocoPhillips shall comply with all applicable requirements of Subpart Db, for all affected boilers at the facility.
  - c. Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units shall apply to all affected boilers and steam generating units at the facility for which were constructed after June 9, 1989, are between 10 and 100 MMBtu/hr, and combust fossil fuel. ConocoPhillips shall comply with all applicable requirements of Subpart Dc, for all affected boilers and steam generating units at the facility.
  - d. Subpart J - Standards of Performance for Petroleum Refineries shall apply to, but not be limited to:
    - i. All of the heaters and boilers at the ConocoPhillips refinery (except those subject to Subpart Ja);
    - ii. The Claus units at the Jupiter sulfur recovery facility (until it becomes subject to Subpart Ja);
    - iii. The Refinery Main Plant Relief Flare. Compliance will be in accordance with 40 CFR 60.11(d) in lieu of the requirements of 40 CFR 60.104, 105 and 107 (Civil Action No. H-01-4430 (“ConocoPhillips Consent Decree”), Paragraphs 161 and 162);
    - iv. The Jupiter Sulfur Plant Flare (Jupiter Flare, also known as the SRU/Ammonium Sulfide Unit Flare) (ConocoPhillips Consent Decree, Paragraph 155 and 156) (until it becomes subject to Subpart Ja);
    - v. The FCCU (CO, SO<sub>2</sub>, PM, and opacity provisions) (ConocoPhillips Consent Decree, Paragraph 54); and
    - vi. Any other affected equipment.

- e. Subpart Ja – Standards of Performance for Petroleum Refineries for Which Construction, Reconstruction, or Modification Commenced After May 14, 2007 shall apply to, but not be limited to:
  - i. New Crude Heater (H-2301);
  - ii. New Vacuum Heater (H-2401);
  - iii. Wastewater Treatment System Thermal Oxidizer (when firing supplemental refinery fuel gas (RFG));
  - iv. No. 1 H<sub>2</sub> Reformer Heater (H-9401);
  - v. Jupiter Sulfur Plant Flare (Jupiter Flare, also known as the SRU/Ammonium Sulfide Unit Flare);
  - vi. Jupiter Plant SRU;
  - vii. Jupiter Plant ATS Plant;
  - viii. Any other affected equipment.
  
- f. Subpart Ka - Standards of Performance for Storage Vessels for Petroleum Liquids shall apply to all petroleum storage vessels for which construction, reconstruction or modification commenced after May 18, 1978, and prior to July 23, 1984, for requirements not overridden by 40 CFR 63, Subpart CC. These requirements shall be as specified in 40 CFR 60.110a through 60.115a. The affected tanks include, but are not limited to, the following:

Tank ID

T-100\*

T-101\*

T-102

T-104\*

\* *Currently exempt from all emission control provisions due to vapor pressure of materials stored.*

- g. Subpart Kb - Standards of Performance for Volatile Organic Liquid Storage Vessels shall apply to all volatile organic storage vessels (including petroleum liquid storage vessels) for which construction, reconstruction or modification commenced after July 23, 1984, for requirements not overridden by 40 CFR 63, Subpart CC. These requirements shall be as specified in 40 CFR 60.110b through 60.117b. The affected tanks include, but are not limited to, the following:

Tank ID

T-35

T-36 (Currently out of service)

T-72

T-107\*

T-110

T-162\*

T-0851 (No.5 HDS Feed Storage Tank)

T-2909 (LSG Tank)

T-3201\*

\* *Currently exempt from all emission control provisions due to vapor pressure of materials stored.*

- h. Subpart UU - Standards of Performance for Asphalt Processing and Asphalt Roofing Manufacture shall apply to, but not be limited to, asphalt storage tank T-3201 and any other applicable storage tanks that commenced construction or modification after May 26, 1981. Asphalt storage tank T-3201 shall comply with the standards in 40 CFR 60.472(c).
- i. Subpart GGG - Standards of Performance for Equipment Leaks of Volatile Organic Compound (VOC) in Petroleum Refineries shall apply to, but not be limited to:
- Delayed coker unit
  - Cryogenic unit
  - Hydrogen membrane unit
  - Gasoline merox unit
  - Crude vacuum unit (until no longer in service)
  - Gas oil hydrotreater unit (consisting of a reaction section, fractionation section, and an amine treating section)
  - No.1 H<sub>2</sub> Unit (22.0-million standard cubic feet per day (MMscfd) hydrogen plant feed system)
  - Alkylation Unit Butane Defluorinator Project (consisting of heat exchangers; X-453, X-223, X-450, X-451, X-452, pumps; P-646, Vessels; D-130, D-359, D-360)
  - Alkylation Unit Depropanizer Project
  - Polymer Modified Asphalt (PMA) process unit
  - #3 Sour Water Stripper (SWS) Unit
  - Fugitive components associated with boilers #B-5 and #B-6
  - The fugitive components associated with the No.2 H<sub>2</sub> Unit and the No.5 HDS Unit
  - HPU and

- Any other applicable equipment constructed or modified after January 4, 1983
- j. Subpart GGGa – Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries for Which Construction, Reconstruction, or Modification Commenced After November 7, 2006, shall apply to all of the fugitive VOC emitting components added in the NCVU project (including the NCVU off-gas compressor) and any other applicable equipment constructed, reconstructed, or modified after November 7, 2006.
- k. Subpart QQQ - Standards of Performance for VOC Emissions from Petroleum Refining Wastewater Systems, shall apply to, but not be limited to:
- Coker unit drain system
  - Desalter wastewater break tanks
  - Corrugated Plate Interceptor (CPI) separators
  - Gas oil hydrotreater oily water sewer drain system
  - No.1 H<sub>2</sub> Unit (22.0-MMscfd hydrogen plant)
  - C-23 compressor station oily water sewer drain system
  - Alkylation Unit Butane Defluorinator oily water sewer drain system
  - Alkylation Unit Depropanizer oily water sewer drain system
  - #3 SWS Unit oily water sewer drain system
  - South Tank Farm oily water sewer drain system
  - Tank T-4523 (wastewater surge tank)
  - No.2 H<sub>2</sub> Unit and the No.5 HDS Unit new individual oily water drain system
  - NCVU individual drain system
  - two API separators associated with the NCVU Project and
  - Any other applicable equipment, for requirements not overridden by 40 CFR 63, Subpart CC
2. ConocoPhillips shall comply with all applicable requirements of ARM 17.8.341, which references 40 CFR Part 61, National Emission Standards for Hazardous Air Pollutants (NESHAP):

- a. Subpart A - General Provisions applies to all equipment or facilities subject to a NESHAP subpart as listed below.
  - b. Subpart FF - National Emission Standards for Benzene Waste Operations shall apply to, but not be limited to, all new or recommissioned wastewater sewer drains associated with the Alkylation Unit Depropanizer Project, the Refinery's existing sewer system, the #3 SWS Unit, the new individual drain system for the waste streams associated with the No.2 H<sub>2</sub> Unit and the No.5 HDS Unit, Tanks 34 and 35, and all benzene-containing waste streams associated with the NCVU Project.
  - c. Subpart M - National Emission Standard for Asbestos shall apply to, but not be limited to, the demolition and/or renovation of regulated asbestos containing material.
3. ConocoPhillips shall comply with all applicable requirements of ARM 17.8.342, which reference 40 CFR Part 63, NESHAP for Source Categories, including the reporting, recordkeeping, and notification requirements:
- a. Subpart A, General Provisions, applies to all equipment or facilities subject to a NESHAP for source categories subpart as listed below.
  - b. Subpart R, National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations), shall apply to, but not be limited to, the bulk loading rack.
  - c. Subpart CC, National Emission Standards for Hazardous Air Pollutants From Petroleum Refineries (Refinery MACT I), shall apply to, but not be limited to, Miscellaneous Process Vents; Storage Vessels; Wastewater Streams; Equipment Leaks; and the Gasoline Loading Rack.
  - d. Subpart UUU, National Emission Standards for Hazardous Air Pollutants for Petroleum Refineries: Catalytic Cracking Units, Catalytic Reforming Units, and Sulfur Recovery Units (Refinery MACT II), shall apply to, but not be limited to, the FCCU and Catalytic Reforming Unit #2. Subpart UUU does not apply to the Catalytic Reforming Unit #1 as long as the reformer is dormant or the catalyst is regenerated off-site.
  - e. Subpart EEEE National Emission Standards for Hazardous Air Pollutants: Organic Liquids Distribution (Non-Gasoline) shall apply to, but not be limited to, Proto Gas storage tanks.
4. ConocoPhillips shall comply with the provisions of 40 CFR 82, Subpart F, Recycling and Emission Reduction as applicable.

B. Emission Control Requirements

ConocoPhillips shall install, operate, and maintain the following emission control equipment to provide the maximum air pollution control for which it was designed:

1. The Refinery Main Plant Relief flare must be equipped and operated with a steam injection system (ARM 17.8.752). The flare tip is to be based at a minimum of 142-feet plus or minus 2 feet elevation (ARM 17.8.749). ConocoPhillips shall minimize SO<sub>2</sub> flaring activity by installing and operating flare gas recovery systems on the Refinery Main Plant Relief flare (Consent Decree Paragraphs 162 and 163).
2. The Jupiter flare must be equipped and operated with a steam injection system (ARM 17.8.752). The flare tip is to be based at a minimum of 213-feet plus or minus 3 feet elevation (ARM 17.8.749).
3. Storage tank #49 shall be equipped with an internal floating roof with a double rim seal, liquid-mounted seal, or mechanical shoe seal system for VOC loss control (ARM 17.8.752).
4. Storage tanks #4510 and #4511 shall be equipped with internal floating roofs with double rim seals or a liquid-mounted seal system for VOC loss control (ARM 17.8.752).
5. Storage tank #162 shall be equipped with a fixed roof that includes a roof-top vacuum breaker vent (ARM 17.8.340).
6. All equipment subject to 40 CFR 60, Subpart GGG, as well as the C-23 Compressor Station (ARM 17.8.752), shall comply with the following:
  - a. All valves used shall be high-quality valves containing high-quality packing.
  - b. All open-ended valves shall be of the same quality as the valves described above. They will have plugs, caps or a second valve installed on the open end.
  - c. All pipe and tower flanges shall be installed using process compatible gasket material.
  - d. All pumps shall be fitted with the highest quality state-of-the-art mechanical seals, as appropriate.
  - e. A monitoring and maintenance program as described under NSPS (40 CFR 60, Subpart VV) shall be instituted.
  - f. For the C-23 compressor station, a VOC monitoring and maintenance program is instituted as described in 40 CFR 60.482-2, 40 CFR 60.482-4 thru 10, 40 CFR 60.483-1 and 2, 40 CFR 60.485, 40 CFR 60.486 (b-k), and 40 CFR 60.486 (c-e). If monitoring or scheduled inspections indicate failure or leakage of the compressor seal system, then the seals shall be repaired as soon as practicable (but not later than 15 calendar days after it is detected), except as provided in 40 CFR 60.482-9.



oxidizer, designed and operated to reduce VOC emissions by 95%, or greater, with no detectable emissions.

11. The bulk loading gasoline and distillates loading rack shall be operated and maintained as follows:
  - a. ConocoPhillips' loading rack shall be equipped with a vapor collection system designed to collect the organic compound vapors displaced from cargo tanks during product loading (ARM 17.8.342 and 40 CFR 63, Subpart R).
  - b. ConocoPhillips' collected vapors shall be routed to the Vapor Combustor Unit (VCU) at all times. In the event the VCU was inoperable, ConocoPhillips may continue to load only distillates with a Reid vapor pressure of less than 27.6 kilopascals, provided the Department is notified in accordance with the requirements of ARM 17.8.110 (ARM 17.8.752).
  - c. The vapor collection and liquid loading equipment shall be designed and operated to prevent gauge pressure in the gasoline cargo tank from exceeding 4,500 Pascals (Pa) (450 millimeters (mm) of water) during product loading. This level shall not be exceeded when measured by the procedures specified in the test methods and procedures in 40 CFR 60.503(d) (ARM 17.8.342 and 40 CFR 63, Subpart R).
  - d. No pressure vacuum vent in the permitted terminal's vapor collection system shall begin to open at a system pressure less than 4,500 Pa (450 mm of water) (ARM 17.8.342 and 40 CFR 63, Subpart R).
  - e. The vapor collection system shall be designed to prevent VOC vapors collected at one loading position from passing to another loading position (ARM 17.8.342 and 40 CFR 63, Subpart R).
  - f. Loading of liquid products into gasoline cargo tanks shall be limited to vapor-tight gasoline cargo tanks using the following procedures (ARM 17.8.342 and 40 CFR 63, Subpart R):
    - i. ConocoPhillips shall obtain annual vapor tightness documentation described in the test methods and procedures in 40 CFR 63.425(e) for each gasoline cargo tank that is to be loaded at the loading rack.
    - ii. ConocoPhillips shall require the cargo tank identification number to be recorded as each gasoline cargo tank is loaded at the terminal.
    - iii. ConocoPhillips shall cross check each tank identification number obtained during product loading with the file of tank vapor tightness documentation within 2 weeks after the corresponding cargo tank is loaded.

- iv. ConocoPhillips shall notify the owner or operator of each non-vapor-tight cargo tank loaded at the loading rack within 3 weeks after the loading has occurred.
- v. ConocoPhillips shall take the necessary steps to ensure that any non-vapor-tight cargo tank will not be reloaded at the loading rack until vapor tightness documentation for that cargo tank is obtained which documents that:
  - a. The gasoline cargo tank meets the applicable test requirements in 40 CFR 63.425(e) of this permit.
  - b. For each gasoline cargo tank failing the test requirements in 40 CFR 63.425(f) or (g), the gasoline cargo tank must either:
    - i. Before the repair work is performed on the cargo tank, meet the test requirements in 40 CFR 63.425 (g) or (h).
    - ii. After repair work is performed on the cargo tank before or during the tests in 40 CFR 63.425 (g) or (h), subsequently passes, the annual certification test described in 40 CFR 63.425(e).
- g. ConocoPhillips shall ensure that gasoline cargo tanks at the loading rack are loaded only into cargo tanks equipped with vapor collection equipment that is compatible with the terminal's vapor collection system (ARM 17.8.342 and 40 CFR 63, Subpart R).
- h. ConocoPhillips shall ensure that the terminal and the cargo tank vapor recovery systems are connected during each loading of a gasoline cargo tank at the loading rack (ARM 17.8.342 and 40 CFR 63, Subpart R).
- i. Loading of cargo tanks shall be restricted to the use of submerged fill and dedicated normal service (ARM 17.8.749).
- j. ConocoPhillips shall install and continuously operate a thermocouple and an associated recorder for temperature monitoring in the firebox or ductwork immediately downstream in a position before any substantial heat occurs, and develop an operating parameter value for the VCU in accordance with the provisions of 40 CFR 63.425 and 63.427 (ARM 17.8.342 and 40 CFR 63, Subpart R; and ARM 17.8.752).
- k. ConocoPhillips shall perform a monthly leak inspection of all equipment in gasoline service. The inspection must include, but is not limited to, all valves, flanges, pump seals, and open-ended lines. For purposes of this inspection, detection methods incorporating sight, sound, or smell are acceptable. Each piece of equipment shall be inspected during the loading of a gasoline cargo tank (ARM 17.8.342 and 40 CFR 63, Subpart R).
- l. A logbook shall be used and shall be signed by the owner or operator at the completion of each inspection. A section of the log shall contain a list,

- summary description, or diagram(s) showing the location of all equipment in gasoline service at the facility (ARM 17.8.342 and 40 CFR 63, Subpart R).
- m. Each detection of a liquid or vapor leak shall be recorded in the logbook. When a leak is detected, an initial attempt at repair shall be made as soon as practicable, but no later than 5 calendar days after the leak is detected. Repair or replacement of leaking equipment shall be completed within 15 calendar days after detection of each leak, except as provided in “n” below (ARM 17.8.342 and 40 CFR 63, Subpart R).
  - n. Delay of repair of leaking equipment will be allowed upon a demonstration to the Department that repairs within 15 days are not feasible. The owner or operator shall provide the reason(s) a delay is needed and the date by which each repair is expected to be completed (ARM 17.8.342 and 40 CFR 63, Subpart R).
  - o. ConocoPhillips shall not allow gasoline to be handled in a manner that would result in vapor releases to the atmosphere for extended periods of time. Measures to be taken include, but are not limited to, the following:
    - i. Minimize gasoline spills;
    - ii. Clean up spills as expeditiously as practicable;
    - iii. Cover all open gasoline containers with a gasketed seal when not in use and;
    - iv. Minimize gasoline sent to open waste collection systems that collect and transport gasoline to reclamation and recycling devices, such as oil/water separators (ARM 17.8.342 and 40 CFR 63, Subpart R).
12. Jupiter shall vent off-gas from the ASD unit operation to the B304 sulfur boiler except during malfunction or maintenance conditions, when the off-gases would be vented to the Jupiter SRU flare (ARM 17.8.749).
13. ConocoPhillips shall operate a temporary natural gas-fired boiler for up to 8 weeks per rolling 12-month period. Any temporary boiler constructed, modified, or reconstructed after June 9, 1989, shall comply with the provisions of 40 CFR Part 60, Subpart Dc. The temporary boiler will not exceed a firing rate of 51 MMBtu/hr, and will only be used during refinery turnarounds (ARM 17.8.749).
14. ConocoPhillips shall operate and maintain an amine-based chemical absorption system on the refinery fuel gas system (ARM 17.8.752 and ARM 17.8.819).
15. The Claus SRU shall be equipped with a TGTU (ARM 17.8.752 and ARM 17.8.819).
16. The New Cooling Water Tower (CWT-2501) shall be equipped with a high efficiency drift eliminator (ARM 17.8.752 and ARM 17.8.819).

17. ConocoPhillips shall install, operate, and maintain a thermal oxidizer on the new wastewater treatment facility to provide the maximum air pollution control for which it is designed (ARM 17.8.752 and ARM 17.8.819).
18. ConocoPhillips shall utilize an optimized fuel-to-air ratio to promote complete combustion in the thermal oxidizer (ARM 17.8.752 and ARM 17.8.819).
19. ConocoPhillips shall install a fixed roof on the API separators and Dissolved Air Flootation (DAF) vessel. A vapor collection system shall be installed to collect and route emissions from the enclosed vapor space in the API separators and DAF vessel system to the wastewater treatment system thermal oxidizer (ARM 17.8.752).
20. Within 180 days of startup of the New Crude and Vacuum Units, the old crude and vacuum units (H-1, H-17, and H-24) shall be permanently shutdown (ARM 17.8.749).

C. Emission Limitations

1. Total refinery and sulfur recovery facility emissions shall not exceed the following:
  - a. Jupiter SRU/ATS Main Stack (S-101/S-401)
    - i. SO<sub>2</sub> Emissions –
      - 25.00 pounds per hour (lbs/hr) (ARM 17.8.749)
      - 167 ppmv, corrected to 0% O<sub>2</sub> on a dry basis, on a rolling 12-hour average
      - Following the startup of the New Crude and Vacuum Units: 150 ppmv, corrected to 0% O<sub>2</sub> on a dry basis, on a rolling 365-day average (ARM 17.8.752 and ARM 17.8.819)
      - 0.30 tons/day
      - Following the startup of the New Crude and Vacuum Units: 98.35 tons per year (TPY) (ARM 17.8.749)
    - ii. NO<sub>x</sub> Emissions - 18.92 lbs/hr, 454.0 lbs/day, 82.85 TPY (ARM 17.8.749)
    - iii. Prior to startup of the New Crude and Vacuum Units: PM<sub>10</sub> Emissions – 7.76 lbs/hr, 186.3 pounds per day (lb/day), 34.00 TPY
    - iv. Following startup of the New Crude and Vacuum Units: PM<sub>10</sub> Emissions - 6.26 lbs/hr, 186.3 lb/day, 27.42 TPY (ARM 17.8.749)
    - v. CO Emissions - 0.40 lb/hr, 1.76 TPY (ARM 17.8.749)

- vi. Ammonia - 13.36 lbs/hr, 320.5 lb/day, 58.5 TPY
- vii. Opacity - 20% averaged over any 6 consecutive minutes
- b. Jupiter SRU Flare<sup>2</sup>
  - i. SO<sub>2</sub> Emissions - 25.00 lbs/hr, 0.30 tons/day (ARM 17.8.749).
  - ii. Hydrogen Sulfide (H<sub>2</sub>S) content of the flare fuel gas (and pilot gas) burned shall not exceed 0.10 grain/dry standard cubic foot (gr/dscf) (ARM 17.8.749), with the exception of process upset gases or fuel gas that is released to the flare as a result of relief valve leakage or other emergency malfunctions (ARM 17.8.340, 40 CFR 60, Subpart J, and 40 CFR 60, Subpart Ja).
  - iii. PM and CO emissions shall be kept to their negligible levels as indicated in the permit application (ARM 17.8.749).
  - iv. Opacity - 20% averaged over any 6 consecutive minutes (ARM 17.8.749).
- c. Total SO<sub>2</sub> emissions from the Jupiter SRU/ATS main stack plus the Jupiter SRU flare shall not exceed 109.5 TPY (rolling 12-month average) (ARM 17.8.749).
- d. FCCU Stack
  - i. SO<sub>2</sub> Emissions shall not exceed 328.8 lbs/hr, rolling 24-hour average; 3.945 ton/day; 48.86 TPY (ARM 17.8.749).
  - ii. SO<sub>2</sub> emissions shall not exceed 25 ppmvd at 0% O<sub>2</sub> based on a rolling 365-day average, as well as 50 ppmvd at 0% O<sub>2</sub> based on a rolling 7-day average. The 7-day SO<sub>2</sub> emission limit shall not apply during periods of No.4 hydrotreater (GOHDS Unit) outages, provided that ConocoPhillips is maintaining and operating its FCCUs (including associated air pollution control equipment) in a manner consistent with good air pollution control practices for minimizing emissions in accordance with the EPA-approved good air pollution control plan (ConocoPhillips Consent Decree, Paragraphs 40-42). The SO<sub>2</sub> emissions started contributing to both averages (365-day and 7-day) beginning on December 31, 2005.
  - iii. SO<sub>2</sub> Emissions from FCCU shall not exceed 9.8 kilograms per Megagram (kg/Mg, or 20 lb/ton) coke burnoff on a 7-day rolling average basis, in accordance with 40 CFR 60.104(b)(2) and (c). As an alternative, ConocoPhillips shall process in the FCCU fresh feed that has a total sulfur content no greater than 0.30 percent by weight on a 7-day rolling average basis, in accordance with 40 CFR 60.104(b)(3) and (c). This limit became effective on February 1, 2005 (ConocoPhillips Consent Decree Paragraph 54, and 40 CFR 60, Subpart J).

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<sup>2</sup> Emissions occur only during times that the ATS plant is not operating.

- iv. CO Emissions shall not exceed 150 ppmvd at 0% O<sub>2</sub> based on a rolling 365-day average basis (ConocoPhillips Consent Decree, Paragraph 50)
  - v. CO Emissions shall not exceed 500 ppmvd at 0% O<sub>2</sub> based on a one-hour average emission limit. CO emissions during periods of startup, shutdown or malfunctions of the FCCU will not be used for determining compliance with this emission limit, provided that ConocoPhillips implements good air pollution control practices to minimize CO emissions (ConocoPhillips Consent Decree, Paragraph 49, as amended).
  - vi. NO<sub>x</sub> emissions shall not exceed 49.2 ppmvd corrected to 0% O<sub>2</sub>, on a rolling 365-day average and 69.5 ppmvd, corrected to 0% O<sub>2</sub>, on a rolling 7-day average. The 7-day NO<sub>x</sub> emission limit shall not apply during periods of hydrotreater outages, provided that ConocoPhillips is maintaining and operating the FCCU (including associated air pollution control equipment) consistent with good air pollution control practices for minimizing emissions in accordance with the EPA-approved good air pollution control practices plan (ConocoPhillips Consent Decree, Paragraph 27, as amended).
  - vii. Following startup of the New Crude and Vacuum Units: CO emissions from the FCCU shall not exceed 26.54 lbs/hr and 116.25 TPY (ARM 17.8.749).
  - viii. PM Emissions - The FCCU shall not exceed the PM limit of 1 lb/1000 lbs coke burned (ConocoPhillips Consent Decree, Paragraph 46 and 54, ARM 17.8.340 and 40 CFR 60, Subpart J).
  - ix. Opacity – not to exceed 30%, except for one 6-minute average in any 1 hour period (ConocoPhillips Consent Decree, Paragraph 54, ARM 17.8.340 and 40 CFR 60, Subpart J).
- e. Refinery Fuel Gas Heaters/Furnaces
- i. ConocoPhillips shall not burn fuel oil in any of its heaters (ARM 17.8.749).
  - ii. Combined SO<sub>2</sub> Emissions shall not exceed: 614 lb/day, rolling 24-hour average; and 45.5 TPY, rolling 12-month average for the following fuel gas combustion units (ARM 17.8.749):
    - Prior to startup of the New Crude and Vacuum Units: Emission Point 2, H-1;
    - Emission Point 3, H-2;
    - Emission Point 4, H-4;
    - Emission Point 5, H-5;

- Emission Point 7, H-10 – No. 2 HDS;
  - Emission Point 8, H-11 – No. 2 HDS Debutanizer Reboiler;
  - Emission Point 9, H-12 – No. 2 HDS Main Frac. Reboiler;
  - Emission Point 10, H-13 – Catalytic Reforming Unit #2;
  - Emission Point 11, H-14 – Catalytic Reforming Unit #2;
  - Emission Point 12, H-15;
  - Emission Point 13, H-16 – Saturated Gas Stabilizer Reboiler and PB Merox Disulfide Offgas;
  - Prior to startup of the New Crude and Vacuum Units: Emission Point 14, H-17;
  - Emission Point 15, H-18;
  - Emission Point 16, H-19;
  - Emission Point 17, H-20;
  - Emission Point 18, H-21;
  - Emission Point 20, H-23 – Catalytic Reforming Unit #2;
  - Prior to startup of the New Crude and Vacuum Units: Emission Point 21, H-24;
  - Following startup of the New Crude and Vacuum Units: Emission Point 48, H-2301 – New Crude Heater;
  - Following startup of the New Crude and Vacuum Units: Emission Point 49, H-2401 – New Vacuum Heater;
  - Emission Point 6, H-3901 – Coke Heater;
  - Emission Point 28, H-8401 – Recycle Hydrogen Heater;
  - Emission Point 29, H-8402 – Fractionator Feed Heater;
  - Following startup of the New Crude and Vacuum Units: Emission Point 35, H-9401 - No. 1 H<sub>2</sub> Plant Reformer Heater; and
  - Following startup of the New Crude and Vacuum Units: Emission Point 43, H-9701 - No. 2 H<sub>2</sub> Plant Reformer Heater.
- iii. H<sub>2</sub>S content of fuel gas burned shall not exceed 0.10 gr/dscf, rolling 3-hr average.

- iv. H<sub>2</sub>S content of fuel gas shall not exceed 0.073 gr/dscf (116.5 ppmv H<sub>2</sub>S) per rolling 12-month time period (ARM 17.8.749), for fuel gas burned in:
- Prior to startup of the New Crude and Vacuum Units, Emission point 35, H-9401, the No. 1 H<sub>2</sub> Reformer Heater
  - Emission point 7, H-10, the No. 2 HD
  - Emission point 8, H-11, the Debutanizer Reboiler, No. 2 HDS
  - Emission point 9, H-12, the Main Frac. Reboiler No. 2 HDS
  - Emission point 10, H-13, Catalytic Reforming Unit #2
  - Emission point 11, H-14, Catalytic Reforming Unit #2
  - Emission point 13, H-16, the Stabilizer Reboiler, Sat Gas
  - Emission point 20, H-23, Catalytic Reforming Unit #2
  - Emission point 41, No.5 HDS Charge Heater
  - Emission point 42, No.5 HDS Stabilizer Reboiler Heater
  - Prior to startup of the New Crude and Vacuum Units, Emission point 43, No. 2 H<sub>2</sub> Reformer Heater
- v. During periods of startup and shutdown of the refinery fuel gas treatment system, the H<sub>2</sub>S content of the fuel gas burned in the New Crude Heater (H-2301) and the New Vacuum Heater (H-2401) shall not exceed 162 ppmv (3-hour rolling average). Otherwise, the H<sub>2</sub>S content of the fuel gas burned in these units shall not exceed 34 ppmv based on a rolling 365-day average (ARM 17.8.752 and ARM 17.8.819).
- vi. Following original startup of the New Crude and Vacuum Units: During periods of startup and shutdown of the refinery fuel gas treatment system, the H<sub>2</sub>S content of the fuel gas burned in the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) and the No. 2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 162 ppmv (3-hour rolling average). Otherwise, the H<sub>2</sub>S content of the fuel gas burned in these units shall not exceed 34 ppmv based on a rolling 365-day average (ARM 17.8.752 and ARM 17.8.819).
- vii. Opacity from each of the Refinery Fuel Gas Heaters/Furnaces constructed prior to 1968 shall not exceed 40% averaged over any 6 consecutive minutes (ARM 17.8.304).

- viii. Opacity from each of the Refinery Fuel Gas Heaters/Furnaces constructed after 1968, including the No.5 HDS Charge Heater, No.5 HDS Stabilizer Reboiler Heater, No.2 H<sub>2</sub> Plant Reformer Heater (H-9701), Coker Heater, Recycle Hydrogen Heater, Fractionator Feed Heater, No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401), H-1, New Crude Heater (H-2301), and New Vacuum Heater (H-2401) shall each not exceed 20% averaged over 6 consecutive minutes (ARM 17.8.304).
- ix. NO<sub>x</sub> emissions from the No.5 HDS Charge Heater shall not exceed 0.03 pound per million British thermal units (lb/MMBtu) per rolling 12-month time period (ARM 17.8.752).
- x. CO emissions from the No.5 HDS Charge Heater shall not exceed 0.317 lb/MMBtu per rolling 12-month time period when the heater is operating at 10.9 MMBtu/hr or less (ARM 17.8.752).
- xi. CO emissions from the No.5 HDS Charge Heater shall not exceed 0.1585 lb/MMBtu per rolling 12-month time period when the heater is operating at greater than 10.9 MMBtu/hr (ARM 17.8.752).
- xii. NO<sub>x</sub> emissions from the No.5 HDS Stabilizer Reboiler Heater shall not exceed 0.03 lb/MMBtu per rolling 12-month time period (ARM 17.8.752).
- xiii. CO emissions from the No.5 HDS Stabilizer Reboiler Heater shall not exceed 0.1585 lb/MMBtu per rolling 12-month time period when the heater is operating at 29.9 MMBtu/hr or less (ARM 17.8.752).
- xiv. CO emissions from the No.5 HDS Stabilizer Reboiler Heater shall not exceed 0.091 lb/MMBtu per rolling 12-month time period when the heater is operating at greater than 29.9 MMBtu/hr (ARM 17.8.752).
- xv. Following startup of the New Crude and Vacuum Units: PM<sub>10</sub> emissions from the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) shall not exceed 1.98 lbs/hr and 8.68 TPY (ARM 17.8.749).
- xvi. Following startup of the New Crude and Vacuum Units: CO emissions from the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) shall not exceed 3.99 lbs/hr and 17.47 TPY (ARM 17.8.749).
- xvii. Following startup of the New Crude and Vacuum Units: VOC emissions from the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) shall not exceed 0.22 lbs/hr and 0.98 TPY (ARM 17.8.749).
- xviii. Following startup of the New Crude and Vacuum Units: PM<sub>10</sub> emissions from the No. 2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 1.60 lbs/hr and 7.02 TPY (ARM 17.8.749).

- xix. Following startup of the New Crude and Vacuum Units: CO emissions from the No. 2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 3.23 lbs/hr and 14.13 TPY (ARM 17.8.749).
- xx. Following startup of the New Crude and Vacuum Units: VOC emissions from the No. 2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 0.48 lbs/hr and 2.12 TPY (ARM 17.8.749).
- xxi. The PSA purge gas used as heater fuel in the No. 2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall be sulfur free (ARM 17.8.752).
- xxii. Prior to startup of the New Crude and Vacuum Units: The total NO<sub>x</sub> emissions from the No.5 HDS Charge Heater (H-9501), the No.5 HDS Stabilizer Reboiler Heater (H-9502), and the No.2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 7.95 lbs/hr and 34.19 TPY (ARM 17.8.752).
- xxiii. Following startup of the New Crude and Vacuum Units: The total NO<sub>x</sub> emissions from the No.5 HDS Charge Heater (H-9501), the No.5 HDS Stabilizer Reboiler Heater (H-9502), and the No.2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 8.67 lbs/hr and 37.99 TPY (ARM 17.8.752).
- xxiv. NO<sub>x</sub> emissions from the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) and the No.2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 0.03 lb/MMBtu per rolling 12-month time period (ARM 17.8.752 and ARM 17.8.819).
- xxv. Following startup of the New Crude and Vacuum Units: During periods of startup and shutdown of the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) and the No. 2 H<sub>2</sub> Plant Reformer Heater (H-9701), CO emissions shall not exceed a daily average of 1.7 lb/MMBtu. Otherwise, the CO emissions from these units shall not exceed 0.015 lb/MMBtu based on a rolling 365-day average (ARM 17.8.752).
- xxvi. NO<sub>x</sub> emissions from the Coker Heater (H-3901) shall not exceed 0.08 lb/MMBtu and 7.38 lbs/hr (ARM 17.8.752).
- xxvii. NO<sub>x</sub> emissions from the Recycle Hydrogen Heater (H-8401) shall not exceed 0.03 lb/MMBtu (ARM 17.8.752).
- xxviii. NO<sub>x</sub> emissions from the Fractionator Feed Heater (H-8402) shall not exceed 0.03 lb/MMBtu (ARM 17.8.752).
- xxix. Prior to startup of the New Crude and Vacuum Units: The total NO<sub>x</sub> emissions from the Coker Heater (H-3901), Recycle Hydrogen Heater (H-8401), Fractionator Feed Heater (H-8402), and the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) shall not exceed 13.54 lbs/hr and 58.95 TPY (ARM 17.8.752).

- xxx. Following startup of the New Crude and Vacuum Units: The total NO<sub>x</sub> emissions from the Coker Heater (H-3901), Recycle Hydrogen Heater (H-8401), Fractionator Feed Heater (H-8402), and the No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) shall not exceed 14.49 lbs/hr and 63.45 TPY (ARM 17.8.752).
- xxxi. NO<sub>x</sub> emissions from the New Crude Heater (H-2301) shall not exceed 6.44 lbs/hr and 28.19 TPY (ARM 17.8.749).
- xxxii. PM<sub>10</sub> emissions from the New Crude Heater (H-2301) shall not exceed 1.23 lbs/hr and 5.38 TPY (ARM 17.8.749).
- xxxiii. CO emissions from the New Crude Heater (H-2301) shall not exceed 1.82 lbs/hr and 7.95 TPY (ARM 17.8.749).
- xxxiv. VOC emissions from the New Crude Heater (H-2301) shall not exceed 0.89 lbs/hr and 3.90 TPY (ARM 17.8.749).
- xxxv. NO<sub>x</sub> emissions from the New Vacuum Heater (H-2401) shall not exceed 2.26 lbs/hr and 9.91 TPY (ARM 17.8.749).
- xxxvi. PM<sub>10</sub> emissions of the New Vacuum Heater (H-2401) shall not exceed 0.43 lbs/hr and 1.89 TPY (ARM 17.8.749).
- xxxvii. CO emissions from the New Vacuum Heater (H-2401) shall not exceed 0.64 lbs/hr and 2.79 TPY (ARM 17.8.749).
- xxxviii. VOC emissions from the New Vacuum Heater (H-2401) shall not exceed 0.31 lbs/hr and 1.37 TPY (ARM 17.8.749).
- xxxix. NO<sub>x</sub> emissions from the New Crude Heater (H-2301) and New Vacuum Heater (H-2401) shall not exceed 0.039 lbs/MMBtu per rolling 12-month time period (ARM 17.8.752 and ARM 17.8.819).
- xl. PM<sub>10</sub> and PM<sub>2.5</sub> emissions from the New Crude Heater (H-2301), New Vacuum Heater (H-2401), No. 1 H<sub>2</sub> Plant Reformer Heater (H-9401) and No. 2 H<sub>2</sub> Plant Reformer Heater (H-9701) shall not exceed 0.0075 lb/MMBtu per rolling 12-month time period (ARM 17.8.752 and ARM 17.8.819).
- xli. During periods of startup and shutdown of the New Crude Heater (H-2301) and the New Vacuum Heater (H-2401), CO emissions shall not exceed a daily average of 0.30 lb/MMBtu. Otherwise, the CO emissions shall not exceed 0.011 lb/MMBtu based on a rolling 365-day average (ARM 17.8.752).

f. Main Boilerhouse Stack

- i. SO<sub>2</sub> Emissions - 321.4 lbs/hr, rolling 24-hour average; 3.857 ton/day; 1,407.8 TPY (fuel oil and fuel gas combustion).

- ii. SO<sub>2</sub> Emissions – 300 TPY from fuel oil combustion, based on a rolling 365-day average as determined by the existing SO<sub>2</sub> Continuous Emissions Monitoring System (CEMS) or replacement SO<sub>2</sub> CEMS subsequently installed and certified (ConocoPhillips Consent Decree, Paragraph 71).
  - iii. H<sub>2</sub>S content of fuel gas burned shall not exceed 0.10 gr/dscf, rolling 3-hr average.
  - iv. H<sub>2</sub>S content of fuel gas burned in boilers #B-5 and #B-6 shall not exceed 96 ppmv on a rolling 365-day average (ARM 17.8.749).
  - v. Opacity - 40% averaged over any 6 consecutive minutes, except during times that the exhaust from only boilers #B-5 and #B-6 are being routed to the main boiler stack, the opacity limit is 20% (ARM 17.8.340).
  - vi. NO<sub>x</sub> emissions from boilers #B-5 and #B-6 shall each, when fired on RFG, not exceed 0.03 lb/MMBtu based on a rolling 365-day average or 24.05 TPY based on a rolling 365-day average. Compliance with the limits shall be monitored with the NO<sub>x</sub> and O<sub>2</sub> CEMS subsequently installed and certified (ARM 17.8.752).
  - vii. CO emissions from boilers #B-5 and #B-6 shall each not exceed 0.04 lb/MMBtu based on a rolling 365-day average fired on RFG (ARM 17.8.752).
  - viii. VOC Emissions from boilers #B-5 and #B-6 shall each not exceed 4.32 tons/rolling 12-calendar month total (ARM 17.8.752).
- g. PMA Process Heater Stack (H-3201)
- i. NO<sub>x</sub> emissions shall not exceed 80 pounds per million standard cubic feet (lb/MMscf) or 0.76 lb/hr (ARM 17.8.752).
  - ii. The PMA Process Heater shall be fired on purchased natural gas only and shall not be fired on RFG.
  - iv. Opacity - 20% averaged over any 6 consecutive minutes.
  - v. Heater stack shall be a minimum of 50 feet in height above grade, when the PMA Process Heater is operating.
- h. PMA Storage Tank Vent
- Opacity shall not exceed 0%, except for one consecutive 15-minute period in any 24-hour period when the transfer lines are being blown clear (40 CFR 60.472(c)).

i. Wastewater Treatment System Thermal Oxidizer

- i. ConocoPhillips shall not cause or authorize to be discharged into the atmosphere from the wastewater treatment system thermal oxidizer:
  - a. Any visible emissions that exhibit an opacity of 10% or greater averaged over 6 consecutive minutes (ARM 17.8.752 and ARM 17.8.819); and
  - b. Any particulate matter emissions in excess of 0.10 gr/dscf, adjusted to 12% CO<sub>2</sub> and calculated as if no auxiliary fuel had been used (ARM 17.8.752).
- ii. During periods of startup and shutdown of the wastewater treatment system thermal oxidizer, NO<sub>x</sub> emissions shall not exceed 1,000 ppmv at 8% O<sub>2</sub> on a rolling 365-day average. Otherwise, the NO<sub>x</sub> emissions shall not exceed 25 ppmv at 8% O<sub>2</sub> on a rolling 365-day average (ARM 17.8.752 and ARM 17.8.819).
- iii. During periods of startup and shutdown of the wastewater treatment system thermal oxidizer, the H<sub>2</sub>S content of the fuel gas burned in this unit shall not exceed 162 ppmv (3-hour rolling average). Otherwise, the H<sub>2</sub>S content of the fuel gas burned in this unit shall not exceed 34 ppmv based on a rolling 365-day average (ARM 17.8.752 and ARM 17.8.819).
- iv. PM<sub>10</sub> and PM<sub>2.5</sub> emissions from the wastewater treatment system thermal oxidizer shall not exceed 0.011 lb/hr (ARM 17.8.752 and ARM 17.8.819).
- v. During periods of startup and shutdown of the wastewater treatment system thermal oxidizer, CO emissions shall not exceed 1,000 ppmv at 8% O<sub>2</sub> on a rolling 365-day average. Otherwise, the CO emissions shall not exceed 25 ppmv at 8% O<sub>2</sub> on a rolling 365-day average (ARM 17.8.752).

j. New Cooling Water Tower (CWT-2501)

- i. Total liquid drift shall not exceed 0.0005% of the circulating water flow rate (ARM 17.8.752 and ARM 17.8.819).
- ii. ConocoPhillips shall implement a monitoring, inspection, and maintenance plan of the new cooling water tower (ARM 17.8.752).

- k. Total SO<sub>2</sub> emissions for refinery and sulfur recovery facilities shall not exceed the limit of 3,103 TPY (Sections II.C.1.a – i and II.C.6). In addition, where applicable, all other federal emission limitations shall be met (ARM 17.8.749).

2. All access roads shall use either paving or chemical dust suppression as appropriate to limit excessive fugitive dust, with water as a back-up measure, to maintain compliance with ARM 17.8.308 and the 20% opacity limitation. ConocoPhillips shall use reasonable precautions during construction, and earth-moving activities shall use reasonable precautions to limit excessive fugitive dust and to mitigate impacts to nearby residential and commercial places (ARM 17.8.308).
3. Emissions from the loading of gasoline and distillates at the loading rack shall be limited to the following:
  - a. The total VOC emissions to the atmosphere from the VCU due to loading liquid product into cargo tanks shall not exceed 10.0 milligrams per liter (mg/L) of gasoline loaded (ARM 17.8.342; 40 CFR 63, Subpart R; and ARM 17.8.752).
  - b. The total CO emissions to the atmosphere from the VCU due to loading liquid product into cargo tanks shall not exceed 10.0 mg/L of gasoline loaded (ARM 17.8.752).
  - c. The total NO<sub>x</sub> emissions to the atmosphere from the VCU due to loading liquid product into cargo tanks shall not exceed 4.0 mg/L of gasoline loaded (ARM 17.8.752).
  - d. ConocoPhillips shall not cause or authorize to be discharged into the atmosphere from the enclosed VCU:
    - i. Any visible emissions that exhibit an opacity of 10% or greater (ARM 17.8.749)
    - ii. Any particulate emissions in excess of 0.10 gr/dscf corrected to 12% CO<sub>2</sub> (ARM 17.8.749)
4. ConocoPhillips shall operate and maintain the Saturate Gas Plant according to the Leak Detection and Repair (LDAR) program. ConocoPhillips shall monitor and maintain all pumps, shutoff valves, relief valves, and other piping and valves associated with the Saturate Gas Plant, as described in 40 CFR 60.482-1 through 60.482-10. Records of monitoring and maintenance shall be maintained on site for a minimum of 5 years (ARM 17.8.342, 40 CFR 63, Subpart CC and ARM 17.8.752).
5. ConocoPhillips shall operate and maintain all new (associated with the Low Sulfur Gasoline (LSG) project) fugitive component VOC emissions in the No.2 HDS Unit, the Gas Oil Hydrodesulfurizer (GOHDS) Unit, and the Tank Farm (including those fugitive emissions associated with the LSG tank) according to the LDAR program (ARM 17.8.342; 40 CFR 63, Subpart CC; and ARM 17.8.752).

6. Refinery Main Plant Relief Flare Stack

- a. ConocoPhillips shall meet the 40 CFR 60, Subpart A & J requirements by installing and operating a flare gas recovery system (FGRS), as a means of implementing good air pollution control practices in accordance with 40 CFR 60.11(d) in lieu of meeting the emission limits and monitoring and recordkeeping requirements of 40 CFR 60.104, 105, and 107.  
ConocoPhillips shall operate the FGRS at all times that the facility is operating, except during any reasonably required maintenance on the flare system and/or the FGRS, or during periods of maintenance that would result in the frequent starting-up and shutting-down for the FGRS; the FGRS is shutdown for safety reasons; or it cannot effectively be operated due to the shutdown or operational problems associated with one or more units (ARM 17.8.749; ConocoPhillips Consent Decree Paragraph 162; Montana Consent Decree Paragraph 44, as amended).
- b. For any acid gas, hydrocarbon, or tail gas flaring incident that results in emission of SO<sub>2</sub> that are equal or greater than 500 lbs in a 24-hour period, ConocoPhillips will prepare a Root Cause Failure Analysis (RCFA) and corrective action (ARM 17.8.749 and ConocoPhillips Consent Decree Paragraphs 154, 156, 160, 160A, 160B, 161, 162, and 163).
- c. SO<sub>2</sub> emission increases, due to upset conditions or discontinuance of the SRU, shall be offset by an equivalent rate from any other sources covered by this permit.

7. Jupiter Flare

Prior to modification of the Jupiter Flare, ConocoPhillips shall meet the 40 CFR 60, Subpart A & J requirements by operating the flare such that it only receives process upset gas, fuel gas that is released to the flare as a result of relief valve leakage, or other emergency malfunctions (as defined in 40 CFR 60, Subpart J) (ConocoPhillips Consent Decree Paragraph 156, ARM 17.8.749 and 40 CFR 60, Subpart J). After modification of the Jupiter Flare, ConocoPhillips shall meet the 40 CFR 60, Subparts A & Ja requirements (ARM 17.8.340 and 40 CFR 60, Subpart Ja).

D. Testing Requirements – NSPS, NESHAP, and MACT

1. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart Db, Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units.
2. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units.
3. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart J, Standards of Performance for Petroleum Refineries.

4. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart Ja, Standards of Performance for Petroleum Refineries for Which Construction, Reconstruction, or Modification Commenced After May 14, 2007.
5. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart Ka, Standards of Performance for Storage Vessels for Petroleum Liquids. This shall apply to all petroleum liquid storage vessels for which construction, reconstruction or modification commenced after May 18, 1978, and prior to July 23, 1984 (for requirements not overridden by 40 CFR 63, Subpart CC). These requirements shall be as specified in 40 CFR 60.110a through 60.115a.
6. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart Kb, Standards of Performance for Volatile Organic Liquid Storage Vessels. This shall apply to all volatile organic storage vessels (including petroleum liquid storage vessels) for which construction, reconstruction or modification commenced after July 23, 1984 (for requirements not overridden by 40 CFR 63, Subpart CC).
7. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart GGG, Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries.
8. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart GGGa – Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries for Which Construction, Reconstruction, or Modification Commenced After November 7, 2006
9. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.340, which reference 40 CFR 60, Subpart QQQ, Standards of Performance for Volatile Organic Compound Emissions from Petroleum Refinery Wastewater Systems (for requirements not overridden by 40 CFR 63, Subpart CC).
10. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.342, which references 40 CFR 63, Subpart R, NESHAPs for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations).
11. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.342, which references 40 CFR 63, Subpart CC, NESHAPs from Petroleum Refineries.
12. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.342, which references 40 CFR 63, Subpart UUU, NESHAPs for Petroleum Refineries: Catalytic Cracking Units, Catalytic Reforming Units, and Sulfur Recovery Units.
13. ConocoPhillips shall meet, as applicable, the requirements of all testing and procedures of ARM 17.8.342, which references 40 CFR 63, Subpart EEEE, NESHAPs for Organic Liquids Distribution (Non-Gasoline); and

E. Emission Testing and Monitoring

1. ConocoPhillips shall test boilers #B-5 and #B-6 for NO<sub>x</sub> and CO, both pollutants concurrently, and demonstrate compliance with the NO<sub>x</sub> and CO emission limits contained in Sections II.C.1.f.vi and vii. The compliance source testing shall be conducted on an every 5-year basis or according to another testing/monitoring schedule as may be approved by the Department (ARM 17.8.105 and 17.8.749).
2. ConocoPhillips shall conduct compliance source tests on the Jupiter SRU Main stack for PM<sub>10</sub> and NO<sub>x</sub> to determine compliance with the applicable emission standards in Section II.C.1.a in 1998, 2002, within 180 days of startup of the New Crude and Vacuum Units, and every 5 years thereafter.
3. The bulk loading rack VCU shall be tested for total organic compounds, and compliance demonstrated with the emission limitation contained in Section II.C.3.a every 5 years. ConocoPhillips shall conduct the test methods and procedures as specified in 40 CFR 63.425, Subpart R (ARM 17.8.105 and 17.8.342).
4. After 2007, for the life of the Consent Decree, ConocoPhillips shall conduct an annual PM stack test on the FCCU stack by December 31<sup>st</sup> unless another testing schedule is approved by EPA, in order to demonstrate compliance with the PM limitations listed in Section II.C.1.d.vii. (ConocoPhillips Consent Decree, Paragraph 46 and 47, amended). After the life of the Consent Decree, ConocoPhillips shall conduct a PM stack test annually, unless another testing schedule is approved by the Department (ARM 17.8.749).
5. ConocoPhillips shall conduct an initial source test on the New Vacuum Heater (H-2401) within 180 days of initial startup for NO<sub>x</sub> to demonstrate compliance with the limitations contained in Sections II.C.1.e.xxxv and xxxix. Thereafter, testing shall be conducted as required by the Department (ARM 17.8.105).
6. ConocoPhillips shall conduct an initial Method 9 opacity test on the wastewater treatment thermal oxidizer within 180 days of initial start up to demonstrate compliance with the limitations contained in Section II.C.1.i.i.a and b. If any opacity is observed during this initial test, then ConocoPhillips shall conduct a source test to demonstrate compliance with Section II.C.1.i.i.b (ARM 17.8.105).
7. ConocoPhillips shall install and operate the following CEMS/continuous emission rate monitors (CERMs):
  - a. Jupiter SRU/ATS Stack
    - i. SO<sub>2</sub> (SO<sub>2</sub> State Implementation Plan (SIP), 40 CFR 60, Subpart J, and 40 CFR 60, Subpart Ja)
    - ii. O<sub>2</sub> (40 CFR 60, Subpart J, and 40 CFR 60, Subpart Ja)
    - iii. Volumetric flow rate (SO<sub>2</sub> SIP)
  - b. FCCU Stack
    - i. SO<sub>2</sub> (SO<sub>2</sub> SIP; ARM 17.8.749; 40 CFR 60, Subpart J; and Consent Decree Paragraph 41)
    - ii. Volumetric flow rate (SO<sub>2</sub> SIP)

- iii. Opacity (ARM 17.8.749; 40 CFR 51, Appendix P; 40 CFR 60, Subpart J; and Consent Decree Paragraph 47)
  - iv. CO (ARM 17.8.749; 40 CFR 60, Subpart J; and Consent Decree Paragraph 49, 51 & 54)
  - v. NO<sub>x</sub> (Consent Decree Paragraph 28)
  - vi. O<sub>2</sub> (Consent Decree Paragraph 41, 49 & 50)
- c. Main Boiler Stack
- i. SO<sub>2</sub> (SO<sub>2</sub> SIP; Consent Decree Paragraph 71)
  - ii. Volumetric flow rate (SO<sub>2</sub> SIP)
- d. Boilers #B-5 and #B-6
- i. NO<sub>x</sub> (40 CFR 60, Subpart Db)
  - ii. O<sub>2</sub> (ARM 17.8.749)
- e. New Crude Unit Heater (H-2301)
- i. NO<sub>x</sub> (ARM 17.8.340 and 40 CFR 60, Subpart Ja)
  - ii. O<sub>2</sub> (ARM 17.8.340 and 40 CFR 60, Subpart Ja)
- f. Boilers, RFG Heaters/Furnaces, and Wastewater Treatment System Thermal Oxidizer
- Continuous H<sub>2</sub>S RFG System Monitoring - Compliance with the limits of 40 CFR 60, Subpart J shall be determined by the H<sub>2</sub>S CEMS on the fuel gas system that supplies the heaters and boilers (SO<sub>2</sub> SIP, and ConocoPhillips Consent Decree, Paragraph 69). Compliance with the limits listed in Sections II.C.1.e.v – vi and II.C.1.i.iii shall be determined by the H<sub>2</sub>S CEMS on the fuel gas system that supplies the heaters and wastewater treatment system thermal oxidizer (ARM 17.8.340; 40 CFR 60, Subpart Ja; and ARM 17.8.105). Continuous refinery fuel gas monitoring system for H<sub>2</sub>S shall meet all performance specifications, methods and procedures. H<sub>2</sub>S concentration monitor on the fuel gas system shall meet 40 CFR 60, Appendix B, Performance Specification 7.
- g. Flare(s): (Refinery Main Plant Relief Flare, and Jupiter Flare)
- i. ConocoPhillips shall maintain records of the extent and duration of all periods in which the FGRS for the Refinery Main Plant Relief Flare is not operated. During such periods, ConocoPhillips shall also measure or estimate (as appropriate) all SO<sub>2</sub> emissions which result from gases being directed to and combusted in the flare.

- ii. Flow rate metering from upset or malfunctioning process units that are directed to the flare shall use approved standards, methods, accounting procedures, and engineering data.
  - iii. Recordkeeping requirements (see Sections II.F.1-2)
- 8. Enforcement of Section II.C.1 and II.C.6 requirements, where applicable, shall be determined by utilizing data taken from CEMS and other Department-approved sampling methods. However, opacity compliance may also be determined via EPA Reference Method 9 by a certified observer or monitor.
  - a. The above does not relieve ConocoPhillips from meeting any applicable requirements of 40 CFR 60, Appendices A and B, or other stack testing that may be required by the Department.
  - b. Other stack testing may include, but is not limited to, the following air pollutants: SO<sub>2</sub>, NO<sub>x</sub>, ammonia (NH<sub>3</sub>), CO, PM, PM<sub>10</sub>, and VOC.
  - c. Reporting requirements shall be consistent with 40 CFR Part 60, or as specified by the Department.
  - d. SO<sub>2</sub> SIP CEMS shall be required to be maintained such that they are available and operating at least 90% of the source operating time during any reporting period (quarterly).
- 9. ConocoPhillips shall install, operate and maintain the applicable CEMS/CERMS listed in Sections II.E.7.a, b, and c. Emission monitoring shall be subject to 40 CFR 60, Subpart J, Appendix B (Performance Specifications 1, 2, 3, 4/4A/4B, and 6) and Appendix F (Quality Assurance/Quality Control) provisions.
- 10. ConocoPhillips shall install, operate and maintain the applicable CEMS/CERMS listed in Section II.E.7.d. Emission monitoring shall be subject to 40 CFR 60, Subpart Db; Appendix B (Performance Specifications 2, 3, 4/4A/4B, and 6). Emission monitoring shall be subject to 40 CFR 60, Appendix F or an alternate site-specific monitoring plan approved by the Department, as appropriate.
- 11. ConocoPhillips shall install, operate and maintain the applicable CEMS/CERMS listed in Sections II.E.7.a and e. Emission monitoring shall be subject to 40 CFR 60, Subpart Ja, Appendix B (Performance Specifications 2 and 3) and Appendix F (Quality Assurance/Quality Control) provisions.
- 12. ConocoPhillips shall install, operate and maintain the applicable CEMS/CERMS listed in Sections II.E.7.f. Emission monitoring shall be subject to 40 CFR 60, Appendix B (Performance Specification 7) and Appendix F (Quality Assurance/Quality Control) provisions (the cylinder gas manufacturer's procedures for certifying these standards shall be considered adequate for Appendix F purposes).
- 13. CEMS are to be in operation at all times when the emission units are operating, except for quality assurance and control checks, breakdowns and repairs. In the event the primary CEMS is unable to meet minimum availability requirements, ConocoPhillips shall provide a back-up or alternative monitoring system and plan such that continuous compliance can be demonstrated. The Department shall approve such contingency plans.

14. Compliance testing and continuous monitor certification shall be as specified in 40 CFR 60, Appendices A and B. Test methods and procedures, where there is more than one option for any given pollutant, shall be worked out with the Department prior to commencement of testing.
15. ConocoPhillips shall conduct compliance testing and continuous monitor certification as specified in 40 CFR 60, Appendices A and B, within 180 days of initial start up of the affected facility.
16. Any stack testing requirements that may be required in Sections II.E.1 to E.6, and Section II.E.8 shall be conducted according to 40 CFR 60, Appendix A and ARM 17.8.105, Testing Requirements provisions.
17. ConocoPhillips shall implement a monitoring, inspection, and maintenance plan to comply with the control requirements listed in Section II.C.1.j for the New Cooling Water Tower. This monitoring program shall consist of monitoring the free chlorine content in the cooling tower water at least three times per week, recording the bleach additive usage on an ongoing basis, and performing olfactory hydrocarbon leak detection measures at least once per shift. Any exchanger leaks that are identified must be repaired in a timely manner.
18. All compliance source tests shall be conducted in accordance with the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
19. The Department may require further testing (ARM 17.8.105).

F. Reporting

1. ConocoPhillips shall provide quarterly and/or semi-annual emission reports from all emission rate monitors. In addition to any specific NSPS or NESHAP reporting requirements, the periodic reports shall include the following:
  - a. Quarterly emission reporting for SO<sub>2</sub> from all point source locations shall consist of 24-hour calendar-day totals per calendar month;
  - b. Source or unit operating time during the reporting period;
  - c. Monitoring down time, which occurred during the reporting period;
  - d. A summary of excess emissions for each pollutant and averaging period identified in Section II.C; and
  - e. Reasons for any emissions in excess of those specifically allowed in Section II.C. with mitigative measures utilized and corrective actions taken to prevent a recurrence of the upset situation.

ConocoPhillips shall submit the quarterly and/or semi-annual emission reports within 30 days of the end of each reporting period.

2. ConocoPhillips shall keep the Department apprised of the status of construction, dates of performance tests, and continuous compliance status for each emission point and pollutant. Specifically, the following report and recordkeeping shall be submitted in writing:

- a. Notification of date of construction commencement, cessation of construction, restarts of construction, startups, initial emission tests, monitor certification tests, etc.
  - b. Submittal for review by the Department of the emissions testing plan, results of initial compliance tests, continuous emission monitor certification tests, continuous emission monitoring and continuous emissions rate monitoring quality assurance/quality control plans, and excess emissions report within the 180-day shakedown period.
  - c. Copies of emissions reports, excess emissions, and all other such items mentioned in Section II.F.2.a and b above shall be submitted to both the Billings Regional Office and the Helena office of the Department.
  - d. Monitoring data shall be maintained for a minimum of 5 years at the ConocoPhillips Refinery and Jupiter sulfur recovery facilities.
  - e. All data and records that are required to be maintained must be made available upon request by representatives of the EPA.
3. ConocoPhillips shall report to the Department any time in which the sour water stripper stream from the refinery is diverted away from the sulfur recovery facility. Said excess emission reports shall include the period of diversion, estimate of lost raw materials (H<sub>2</sub>S and NH<sub>3</sub>), and resultant pollutant emissions, including circumstances explaining the diversion of this stream. Said excess emission reports shall discuss what corrective actions will be taken to prevent recurrences of the situation and what caused the upset. These reports shall address, at a minimum, the requirements of ARM 17.8.110.
  4. ConocoPhillips shall document, by month, the number of PSA offgas venting occurrences and the estimated CO emissions from each venting occurrence by the No.2 H<sub>2</sub> Unit PSA Offgas Vent. By the 30<sup>th</sup> day of each month ConocoPhillips shall total the number of PSA offgas venting occurrences and the estimated CO emissions from each venting occurrence by the No.2 H<sub>2</sub> Unit PSA Offgas Vent during the previous month. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).
  5. ConocoPhillips shall document, by month, the number of PSA offgas venting occurrences and the estimated CO emissions from each venting occurrence by the No.1 H<sub>2</sub> Unit PSA Offgas Vent. By the 30<sup>th</sup> day of each month ConocoPhillips shall total the number of PSA offgas venting occurrences and the estimated CO emissions from each venting occurrence by the No.1 H<sub>2</sub> Unit PSA Offgas Vent during the previous month. The information for each of the previous months shall be submitted along with the annual emission inventory (ARM 17.8.749).

G. Additional Reporting Requirements - NSPS, NESHAP, and MACT:

1. ConocoPhillips shall keep records and furnish reports to the Department as required by 40 CFR 60, NSPS, Subpart Kb, for requirements not overridden by 40 CFR 63, Subpart CC. These reports shall include information described in 40 CFR 60.115b.

2. ConocoPhillips shall provide copies to the Department, upon the Department's request, of any records of tank testing results required by 40 CFR 60.113b and monitoring of operations required by 40 CFR 60.116b. Records will be available according to the time period requirements as described in 40 CFR 60.115b and 40 CFR 60.116b.
3. ConocoPhillips shall keep records and furnish reports to the Department as required by 40 CFR 60, Subpart QQQ, for requirements not overridden by 40 CFR 63, Subpart CC.
4. ConocoPhillips shall provide copies to the Department, upon the Department's request, of any records of testing results, monitoring operations, recordkeeping and report results as specified under 40 CFR 60, Subpart QQQ, Sections 60.693-2, 60.696, 60.697, and 60.698, for requirements not overridden by 40 CFR 63, Subpart CC.
5. Prior to the vapor from the CPIs being controlled by the wastewater system thermal oxidizer, ConocoPhillips shall monitor the exhaust vent stream from the wastewater CPI separators carbon-adsorption system (T-169 & T-170 carbon canisters) on a regular schedule according to the requirements contained in 40 CFR 60, Subpart QQQ, Section 60.695(a)(3)(ii) and 40 CFR 61 Subpart FF, Section 61.354(d). The existing carbon shall be replaced with fresh carbon immediately when carbon breakthrough is indicated. The device shall be monitored at intervals not to exceed 14.4 hours, when the wastewater treatment is operational. The time period may be revised by the Department in the event that the carbon absorption system is upgraded or physically altered.
6. ConocoPhillips shall supply the Department's Permitting and Compliance Division with the reports as required by 40 CFR 61, Subpart FF, NESHAP for Benzene Waste Operations, for requirements not overridden by 40 CFR 63, Subpart CC.
7. ConocoPhillips shall keep all records and furnish all reports to the Department as required by 40 CFR 63, Subpart R, NESHAPs for Gasoline Distribution Facilities. These reports shall include information described in 40 CFR 63.424, 63.427, and 63.428.
8. ConocoPhillips shall keep all records and furnish all reports to the Department as required by 40 CFR 63, Subpart CC, NESHAPs for Petroleum Refineries (MACT I).
9. ConocoPhillips shall keep all records and furnish all reports to the Department as required by 40 CFR 63, Subpart UUU, NESHAPs for Petroleum Refineries: Catalytic Cracking Units, Catalytic Reforming Units, and Sulfur Recovery Units (MACT II).
10. ConocoPhillips shall keep all records and furnish all reports to the Department as required by 40 CFR 63, Subpart EEEE, NESHAPs for Organic Liquids Distribution (Non-Gasoline).

H. Operational Reporting Requirements

1. ConocoPhillips shall supply the Department with annual production information for all emission points, as required by the Department in the annual emission inventory request. The request will include, but is not limited to, all sources of emissions identified in the most recent emission inventory report and sources identified in this permit.

Production information shall be gathered on a calendar-year basis and submitted to the Department by the date required in the emission inventory request. Information shall be in the units required by the Department. This information is required for the annual emission inventory and to verify compliance with permit limitations. The information supplied shall include the following (ARM 17.8.505):

a. Sources – ConocoPhillips

Emission Point	Source	Consumption
<b>Refinery</b>		
1	<b>Boilers</b> - Four (4): #B-1, #B-2, #B-5, #B-6	MMscf of gas, %H <sub>2</sub> S, gal of fuel oil, %S
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 20 21 28 29 35 43 48 49	<b>Heaters</b> [“22-Fuel-Gas-Heaters”]: #1 (remove within 180 days of start-up of New Crude Heater (H-2301)) #2 #4 #5 Coke Heater (H-3901) #10: No.2 HDS #11: No.2 HDS Debutanizer Reboiler #12: No.2 HDS Main Frac. Reboiler #13: Catalytic Reforming Unit #2 #14: Catalytic Reforming Unit #2 #15 #16: Saturated Gas Stabilizer Reboiler and PB Merox Disulfide Offgas #17 (remove within 180 days of start-up of New Vacuum Heater (H-2401)) #18 #19 #20 #21 #23: Catalytic Reforming Unit #2 #24(remove within 180 days of start-up of New Crude Heater (H-2301)) Recycle Hydrogen Heater (H-8401) Fractionator Feed Heater (H-8402) No. 1 H <sub>2</sub> Reformer Heater (H-9401) No. 2 H <sub>2</sub> Reformer Heater (H-9701) Crude Heater (H-2301) Vacuum Heater (H-2401)	MMscf of gas, %H <sub>2</sub> S
22	FCCU	Tons of SO <sub>2</sub> /yr
23	Refinery Main Plant Relief Flare	Tons of SO <sub>2</sub> /yr
24	Storage Tanks	Tons of VOC losses/yr
25	Bulk Loading	Gallons of Gasoline and Gallons of Distillate Throughput
26	Fugitive VOC Emissions	i. The number of the following fugitive VOC emission sources in service subject to 40 CFR 60, Subparts GGG and GGGa. a. Gas valves b. Light liquid valves c. Heavy liquid valves d. Hydrogen valves e. Open-end valves f. Flanges g. Pump seals/light liquid h. Pump seals/heavy liquid i. Oil/water separators Process drains ii. The number of the following

		fugitive VOC emission sources in service not subject to 40 CFR 60, Subparts GGG and GGGa. a. Valves b. Flanges c. Pump seals d. Compressor seals e. Relief valves f. Oil/water separators
27	CPI Separator Tanks	Gallons of wastewater throughput
30	No.1 Hydrogen Plant SMR Heater (22.0 MMscfd)	MMscf of natural gas MMscf of PSA gas
31	PMA Process Heater	MMscf of natural gas
32	Saturate Gas Plant	Monitoring and Maintenance Records
41	No.5 HDS Charge Heater	MMscf of gas, %H <sub>2</sub> S
42	No.5 HDS Stabilizer Reboiler Heater	
45	No.2 H <sub>2</sub> Unit PSA Offgas Vent	Tons CO/yr
46	No.1 H <sub>2</sub> Unit PSA Offgas Vent	
47	Temporary Natural Gas Boiler	Hours of operation and MMscf of natural gas
50	WWTF Thermal Oxidizer	Hours of operation
<b>Jupiter</b>		
1	Main ATS Stack a. ATS unit b. Elemental sulfur unit	Tons of Product Produced
2	Jupiter Flare – a. Ammonium sulfide unit	

2. For reporting purposes, the equipment should be identified using the emission point numbers specified.
3. ConocoPhillips shall notify the Department of any construction or improvement project conducted pursuant to ARM 17.8.745, that would include a change in control equipment, stack height, stack diameter, stack flow, stack gas temperature, source location or fuel specifications, or would result in an increase in source capacity above its permitted operation or the addition of a new emission unit. The notice must be submitted to the Department, in writing, 10 days prior to start up or use of the proposed de minimis change, or as soon as reasonably practicable in the event of an unanticipated circumstance causing the de minimis change, and must include the information requested in ARM 17.8.745(1)(d) (ARM 17.8.745).

#### I. Notification

ConocoPhillips shall provide the Department with written notification of the following dates within the specified time periods.

1. Pretest information forms must be completed and received by the Department no later than 25 working days prior to any proposed test date, according to the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).
2. The Department must be notified of any proposed test date 10 working days before that date, according to the Montana Source Test Protocol and Procedures Manual (ARM 17.8.106).

3. For every time the Temporary Boiler is brought onsite, ConocoPhillips shall provide written notification to the Department of the initiation of operation within 15 days. The notification will include the year of construction, and natural gas firing rate (ARM 17.8.749 and 40 CFR 60.7 for NSPS-applicable sources).

### SECTION III: General Conditions

- A. Inspection - The recipient shall allow the Department's representatives access to the source at all reasonable times for the purpose of making inspections or surveys, collecting samples, obtaining data, auditing any monitoring equipment (CEMS, CERMS) or observing any monitoring or testing, and otherwise conducting all necessary functions related to this permit.
- B. Waiver - The permit and all the terms, conditions, and matters stated herein shall be deemed accepted if the recipient fails to appeal as indicated below.
- C. Compliance with Statutes and Regulations - Nothing in this permit shall be construed as relieving the permittee of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.* (ARM 17.8.756).
- D. Enforcement - Violations of limitations, conditions and requirements contained herein may constitute grounds for permit revocation, penalties, or other enforcement as specified in Section 75-2-401 *et seq.*, MCA.
- E. Appeals – Any person or persons jointly or severally adversely affected by the Department's decision may request, within 15 days after the Department renders its decision, upon affidavit setting forth the grounds therefore, a hearing before the Board of Environmental Review (Board). A hearing shall be held under the provisions of the Montana Administrative Procedures Act. The filing of a request for a hearing does not stay the Department's decision, unless the Board issues a stay upon receipt of a petition and a finding that a stay is appropriate under Section 75-2-211(11)(b), MCA. The issuance of a stay on a permit by the Board postpones the effective date of the Department's decision until conclusion of the hearing and issuance of a final decision by the Board. If a stay is not issued by the Board, the Department's decision on the application is final 16 days after the Department's decision is made.
- F. Permit Inspection - As required by ARM 17.8.755, Inspection of Permit, a copy of the air quality permit shall be made available for inspection by the Department at the location of the source.
- G. Duration of Permit – Construction or installation must begin or contractual obligations entered into that would constitute substantial loss within 3 years of permit issuance and proceed with due diligence until the project is complete or the permit shall expire (ARM 17.8.762).
- H. Permit Fees - Pursuant to Section 75-2-220, MCA, as amended by the 1991 Legislature, failure to pay the annual operation fee by the permittee may be grounds for revocation of this permit, as required by that section and rules adopted thereunder by the Board.

PERMIT ANALYSIS  
 ConocoPhillips Company, Billings Refinery  
 Montana Air Quality Permit (MAQP) #2619-25

I. Introduction/Process Description

A. Source Description - ConocoPhillips

The ConocoPhillips Company, Billings Refinery (ConocoPhillips) is located at 401 South 23<sup>rd</sup> Street, Billings, Montana, in the NW ¼ of Section 2, Township 1 South, Range 26 East, in Yellowstone County. The refinery property is adjacent to the City of Billings and is next to Interstate 90 and the Yellowstone River. Residential properties exist on the west side of the refinery and the United States Postal Service has an office located on the south side of the property.

The refinery has the capability to process an annual average of approximately 72,500 barrels per day of crude oil and produces a wide range of petroleum products, including propane, gasoline, kerosene/jet fuel, diesel, and petroleum coke. All previously permitted equipment, limitations, conditions, and reporting requirements stated in MAQPs #1719, #2565, #2669, #2619, and #2619A were included in MAQP #2619-02.

Emission Point	Source
<b>Refinery</b>	
1	<b>Boilers - Four (4):</b> #B-1, #B-2, #B-5, #B-6
2	<b>Heaters</b> ["22-Fuel-Gas-Heaters"]: #1 (remove within 180 days of start-up of New Crude Heater (H-2301))
3	#2
4	#4
5	#5
6	Coke Heater (H-3901)
7	#10: No.2 HDS
8	#11: No.2 HDS Debutanizer Reboiler
9	#12: No.2 HDS Main Frac. Reboiler
10	#13: Catalytic Reforming Unit #2
11	#14: Catalytic Reforming Unit #2
12	#15
13	#16: Saturated Gas Stabilizer Reboiler and PB Merox Disulfide Offgas
14	#17 (remove within 180 days of start-up of New Vacuum Heater (H-2401))
15	#18
16	#19
17	#20
18	#21
20	#23: Catalytic Reforming Unit #2
21	#24(remove within 180 days of start-up of New Crude Heater (H-2301))
28	Recycle Hydrogen Heater (H-8401)
29	Fractionator Feed Heater (H-8402)
35	No. 1 H <sub>2</sub> Reformer Heater (H-9401)
43	No. 2 H <sub>2</sub> Reformer Heater (H-9701)
48	Crude Heater (H-2301)

49	Vacuum Heater (H-2401)
22	FCCU
23	Refinery Main Plant Relief Flare
24	Storage Tanks
25	Bulk Loading
26	Fugitive VOC Emissions
27	Corrugated Plate Interceptor (CPI) Separator Tanks
30	No.1 Hydrogen Plant SMR Heater (H-9401) (22.0 million standard cubic feet per day (MMscfd))
31	Polymer Modified Asphalt (PMA) Process Heater
32	Saturate Gas Plant
41	No.5 HDS Charge Heater
42	No.5 HDS Stabilizer Reboiler Heater
45	No.2 H <sub>2</sub> Unit PSA Offgas Vent
46	No.1 H <sub>2</sub> Unit PSA Offgas Vent
47	Temporary Natural Gas Boiler
50	Wastewater Treatment System Thermal Oxidizer

B. Source Description – Jupiter Sulphur, LLC

Jupiter Sulphur, LLC (Jupiter) operates a sulfur recovery facility, within the petroleum refinery area described above, at 2201 7<sup>th</sup> Avenue South, Billings, Montana. The facility is operated as a joint venture, of which ConocoPhillips is a partner. ConocoPhillips is responsible for maintaining air permit compliance at Jupiter’s sulfur recovery facility.

Jupiter’s total sulfur recovery capacity is 295 Long Tons per Day (LT/D) of sulfur. The Jupiter facility consists of three primary units: the Ammonium Thiosulfate (ATS) Plant, the Ammonium Sulfide Unit (ASD), and the Claus Sulfur and Tail Gas Treating Units (TGTUs).

Jupiter's new Claus Sulfur and TGTUs shall have three parallel single-stage high-efficiency gas filters for final particulate and sulfur dioxide (SO<sub>2</sub>) control. All emissions from these three primary processes are vented to Jupiter's main stack.

Emission Point	Source
1	Main ATS Stack a. ATS unit b. Elemental sulfur unit
2	Jupiter Flare – a. Ammonium sulfide unit

C. Permit History

On October 29, 1982, Conoco Inc. (Conoco) received an air quality permit for an emergency flare stack to be equipped and operated with steam injection. This application was given **MAQP #1719**.

On June 2, 1989, Conoco received an air quality permit to convert an existing 5,000-barrel cone roof tank (#49) to an internal floating roof with double seals. This conversion was necessary in order to switch service from diesel to aviation gasoline storage. The application was given **MAQP #2565**.

On January 29, 1991, Conoco received an air quality permit to construct and operate two 2,000-barrel desalter wastewater break tanks equipped with external floating roofs and double-rim seals. The new tanks were to augment the refinery's ability to control fugitive Volatile Organic Compounds (VOC) emissions and enhance recovery of oily water from the existing wastewater treatment system. The application was given **MAQP #2669**.

On April 19, 1990, Conoco received an air quality permit to construct new equipment and modify existing equipment at the refinery and to construct a sulfur recovery facility, operated by Kerley Enterprises under the control of Conoco, as part of the overall Conoco project. The application was given **MAQP #2619**.

Conoco was permitted to construct a new 13,000-barrels-per-stream-day delayed petroleum coker unit, cryogenic gas plant, gasoline treating unit, and hydrogen system additions. Also, modifications to the existing crude and vacuum distillation units, hydrodesulfurization units, amine treating units and wastewater treatment system were permitted.

Conoco was also permitted to construct a sulfur recovery facility (SRU)/ATS to be operated by Kerley Enterprises. This facility is operated in conjunction with the new installations and modifications at the Conoco Refinery. This facility was permitted with the capability of utilizing 109.9 LT/D of equivalent sulfur obtained from the Conoco Refinery for the manufacture of elemental sulfur and sulfur-containing fertilizer solutions (i.e., ATS).

On December 4, 1991, Conoco was issued **MAQP #2619A** for the construction of a 1,000-barrel hydrocarbon storage tank (T-162). The new tank stores recovered hydrocarbon product from the contaminated groundwater aquifer beneath the Conoco Refinery. Over the years, surface discharges at the refinery contaminated the groundwater with oily hydrocarbon products. The purpose of this project was to recover hydrocarbon product (oil) from the groundwater aquifer beneath the refinery. The hydrocarbon product (oil) is pumped out of a cone of depression within the contaminated groundwater aquifer. Groundwater, less the recovered hydrocarbon product, is returned to the aquifer. The application addressed the increase in VOC emissions from the storage of recovered hydrocarbon product.

On March 5, 1993, Conoco was issued **MAQP #2619-02** for the construction and operation of a 5.0-MMscf-per-day hydrogen plant and to replace their existing American Petroleum Institute (API) separator system with a CPI separator system. This permit was an alteration to Conoco's existing MAQP #2619 and included all previously permitted equipment, limitations, conditions, and reporting requirements stated in MAQPs #1719, #2565, #2669, #2619, and #2619A.

The natural gas feedstock to the new hydrogen plant produces 99.9% pure hydrogen. This hydrogen and hydrogen from the existing catalytic reformers is routed to the refinery hydrotreaters to reduce fuel product sulfur content. The Hydrogen sulfide (H<sub>2</sub>S) produced is routed to the Jupiter SRU/ATS, operated by Kerley Enterprises, which produces sulfur and fertilizer products.

The two new CPI separator tanks with carbon canister total VOC controls were constructed to comply with 40 Code of Federal Regulations (CFR) 60, Subpart QQQ, and 40 CFR 61, Subpart FF regulations. The CPI separators were vented to two carbon canisters in series. Each carbon canister was designed and operated to reduce VOC emissions by 95% or greater, with no detectable emissions. This CPI separator system replaced the existing API separator system.

As per a letter received by the Department of Environmental Quality (Department), on December 22, 1992, ownership of the Kerley Enterprises facility was transferred to Jupiter Sulphur, Inc. as of December 31, 1992.

On September 14, 1993, Conoco was issued **MAQP #2619-03** for the construction and operation of a gas oil hydrotreater and associated hydrogen plant at the Billings Refinery. The new hydrotreater desulfurizes a mixture of Fluid Catalytic Cracker Unit (FCCU) feed gas oils, which allows the FCCU to produce low-sulfur gasoline. This low-sulfur gasoline was required by January 1, 1995, to satisfy Environmental Protection Agency's (EPA) gasoline sulfur provisions of the Federal 1990 Clean Air Act Amendments. Hydrogen requirements are met by the installation of a hydrogen plant, and sulfur recovery capacity was provided by installing additional elemental liquid sulfur production facilities at the Jupiter Sulphur, Inc. plant adjacent to the refinery.

The Gas Oil Hydrodesulfurizer (GOHDS) was designed to meet the primary objective of removing sulfur from the FCCU feedstock. A combination of gas oils feed the Gas Oil Hydrotreater. The gas oils are mixed with hydrogen, heated, and passed over a catalyst bed where desulfurization occurs. The gas oil is then fractionated into several products, cooled, and sent to storage. A steam-methane reforming hydrogen plant produces makeup hydrogen for the unit. Any unconsumed hydrogen is amine treated for hydrogen H<sub>2</sub>S removal and recycled.

The new project did not increase refinery capacity. The project did not constitute a major modification for purposes of the New Source Review - Prevention of Significant Deterioration (NSR-PSD) program since net emissions did not increase in significant amounts as defined by the Administrative Rules of Montana (ARM) 17.8.801(20)(a).

The additional fugitive VOC emissions from this project were calculated by totaling the fugitive sources on the process units. These sources included flanges, valves, relief valves, process drains, compressor seal degassing vents and accumulator vents and open-ended lines. The fugitive source tabulation was then used with actual refinery emission factors obtained from the Conoco Refinery in Ponca City, Oklahoma. Furthermore, it was intended that each non-control valve in VOC service would be repacked with graphite packing to Conoco standards before installation. All control valves for the GOHDS project would be Enviro-Seal valves or equivalent. The Enviro-Seal valves have a performance specification that exceeds the Subpart GGG standards. The VOC emissions will be validated by 40 CFR 60, Subpart GGG, emission monitoring.

The Jupiter Sulphur, Inc. Recovery Facility consists of three primary units: the existing ATS Plant, the existing ATS Unit and the new Claus Sulfur and TGTU. The addition of the new units increased the total sulfur recovery capacity of the facility from 110 to 170 LT/D of sulfur.

The existing ATS plant consisted of a thermal Claus reaction-type boiler. The exit gas from this Claus boiler is incinerated in the ATS Unit. The SO<sub>2</sub> from the incinerator is absorbed and converted to ammonium bisulfite (ABS). The ABS is then used to absorb and react with H<sub>2</sub>S to produce the ATS product. Up to 110 LT/D of sulfur can be processed by the ATS Plant to produce sulfur and ATS.

The ASD consists of an absorption column, which absorbs the sulfur as H<sub>2</sub>S in the acid gas feed and reacts with NH<sub>3</sub> and water. When the new Claus Sulfur Unit was added, the Sulfur Recovery Facility was modified to incinerate any off gas from this unit in the TGTU and ATS Plant. This eliminates off-gas flow to, and emissions from, the flare. Up to 110 LT/D of sulfur can be processed by the ASD to produce ammonium sulfide solution.

The proposed Claus Sulfur Unit consisted of a thermal Claus reaction furnace, followed by a waste heat boiler and three catalytic Claus reaction beds. The Claus tail gas is then incinerated before entering the TGTU. In this new unit, SO<sub>2</sub> from the incinerator was absorbed and converted to ABS. This ABS is then transferred to the ATS Unit for conversion to ATS. Up to 110 LT/D of sulfur can be processed by the new Claus Sulfur Unit to produce sulfur and ABS. The ABS from the TGTU is dilute, containing a significant amount of water that was generated from the Claus reaction. To prevent making a dilute ATS from this "weak" ABS, a new ATS Reactor was added to the ATS Unit. This ATS Reactor combines "weak" ABS, additional ABS, and sulfur to make a full-strength ATS solution.

An important feature of the Jupiter Sulphur, Inc. facility is its capability to process Conoco Inc.'s sour gases at all times. A maximum of 170 LT/D of sulfur is recovered and each of the three units has a capacity of 110 LT/D. If any one of the three is out of service, then the other two can easily handle the load. While the process has 100% redundancy, any two of the three units must be running to handle the design load. The process uses high-efficiency gas filters, which employ a water-flushed coalescer cartridge to reduce particulate, as well as sulfur compounds.

On November 11, 1993, Conoco was issued **MAQP #2619-04** to construct and operate a new compressor station and associated equipment at the Billings Refinery. The C-23 compressor station project involved the recommissioning of an out-of-service compressor and associated equipment components having fugitive VOC emissions. The project also involved the installation of new equipment components having fugitive VOC emissions. The recommissioned compressor was originally installed in 1948. The compressor underwent some minor refurbishing, but did not trigger "reconstruction" as defined in 40 CFR 60.15.

The purpose of the C-23 compressor station project was to improve the economics of the refinery's wet gas (gas streams containing recoverable liquid products) processing through increased yields and more efficient operation in the refinery's large and small Crude Topping Units (CTUs) and the Alkylation Unit. The project also improved safety in the operations of the two CTUs, Alkylation Unit, and Gas Recovery Plant (GRP). As a result of this project, the vapor pressure of the alkylate product (produced by the Alkylation Unit) was lowered.

On February 2, 1994, Conoco was issued **MAQP #2619-05** to construct and operate a butane defluorinator within the alkylation unit at the refinery. Installation of an alumina (Al<sub>2</sub>O<sub>3</sub>) bed defluorinator system was to remove residual hydrofluoric acid (HF) and organic fluorides from the butane stream produced by the Alkylation Unit. This reduced the fluorine level of the butane from ~ 500 parts per million by weight (ppmw) to ~ 1 ppmw, which allows the butane to be recycled back to the refinery's Butamer Unit for conversion into isobutane. Refer to the permit application for a more thorough description of the process and proposed changes.

The Alkylation Unit Butane Defluorinator Project resulted in: (1) changes in operation of the alkylate stabilization train of the Alkylation Unit to yield defluorinated butane instead of fluorinated and lower vapor pressure alkylate products; (2) changes in operation of the refinery's gasoline blending to restructure butane blending and lower the vapor pressure of the gasoline pool; (3) minimized butane sales; (4) minimized butane burning as refinery fuel gas; and (5) economized gasoline blending of butane.

On March 28, 1994, Conoco was issued **MAQP #2619-06** to construct and operate equipment to support a new PMA Unit at the refinery. The PMA project allowed Conoco to produce asphalt that meets the new federal specifications and to become a supplier of PMA for the region.

Installation of a 9.5-million British thermal units per hour (MMBtu/hr) natural gas-fired process heater to heat an oil heat transfer fluid supplies heat to bring the asphalt base to 400°F. This allows a polymer material to be mixed with it to produce PMA. A hot oil transfer pump was installed to circulate hot oil through the system. A heat exchanger (X-364) from the shutdown Propane De-asphalting (PDA) Unit was moved and installed to aid in the heating of the asphalt base. Two existing 5,000-bbl asphalt storage tanks were converted to PMA mixing and curing tanks. This required the installation of additional agitators, a polymer pellet loading (blower) system and conversion of the tank steamcoil heating system to hot oil heated by the new process heater. New asphalt transfer lines, a new asphalt transfer pump, and a new 5,000-bbl PMA storage tank (to replace the demolished T-50) were installed to keep the PMA separated from other asphalt products.

This permit alteration also addressed the items submitted in a letter dated November 23, 1993, for supplemental information and a request for permit clarification for Conoco's MAQP #2619-03. This permit clarifies all these items, as appropriate, including the issues relating to the redesign of the SRU stack and the addition of heated air to the stack. Reference Section VI, Air Quality Impacts.

On July 28, 1995, Conoco was issued **MAQP #2619-07** for the construction and operation of new equipment within the refinery's Alkylation (Alky) and Gas Recovery Plant/No.1 Amine Units. The project was referred to as the Alkylation Unit Depropanizer Project.

The existing Alkylation Unit was replaced with a new tower. The new depropanizer is located where the No.1 Bio-pond was located. Piping and valves were added, and existing equipment was located next to the new depropanizer. The old depropanizer was retained in place and may be used in the future in non- HF service.

The decommissioned PDA Unit evaporator tower (W-3) was converted to a water wash tower to remove entrained amine from the Alky PB (Propane/Butene) olefins upstream of the PB merox prewash. New piping, valves, and instrumentation were added around W-3.

The change in air emissions associated with this project was an increase in fugitive VOC emissions, as well as additional emission of fluorides due to the installation of the new depropanizer piping and valves.

The changes made by this project were not subject to NSR-PSD review since the sum of the emission rate increases were below PSD significant emission rates for applicable pollutants.

The drains installed or reused tie into parts of the refinery's wastewater sewer system that are already subject to Standards of Performance for New Stationary Sources (NSPS),

Subpart QQQ (Wastewater Treatment System VOC Emissions in Petroleum Refineries) and National Emission Standards for Hazardous Air Pollutants (NESHAP), Subpart FF (Benzene Waste Operations). These drains were equipped with tight fitting caps and have hard pipe connections to meet the required control specifications.

On July 24, 1996, Conoco was issued **MAQP #2619-08** to change the daily SO<sub>2</sub> emissions limit of the 19 existing process heaters, as well as combining the 19 heaters, the Coker heater (H-3901), and the GOHDS heaters (H-8401 and H-8402) into one SO<sub>2</sub> point source within the Refinery. The project is referred to as the Existing Heater Optimization Project.

The 19 process heaters being discussed in this application are the process heaters (excluding H-3 and H-7) that were in operation prior to the construction of the Delayed Coker/Sulfur Reduction Project, which became fully operational in May of 1992. The 19 heaters are: H-1, H-2, H-4, H-5, H-10, H-11, H-12, H-13, H-14, H-15, H-16, H-17, H-18, H-19, H-20, H-21, H-22, H-23, and H-24. These 19 heaters are pooled together and regulated as one source referred to as the "19-Heater" source. Also included in this discussion are the Coker heater (H-3901) and the GOHDS heaters (H-8401 and H-8402).

The existing 19 heaters have a "bubbled" SO<sub>2</sub> permit emission limit of 30.0 tons per year (TPY) (164 lb/day) and a limitation of fuel gas H<sub>2</sub>S content of 160 parts per million by volume (ppmv) (0.1 grains per dry standard cubic foot (gr/dscf)). With both these limitations intact, all of these heaters cannot simultaneously operate at their maximum design firing rates. This can cause un-optimized operation of the Refinery during unfavorable climatical conditions or during peak heater demand periods.

To allow all 19 heaters to simultaneously operate at their maximum firing rates, the allowable short term SO<sub>2</sub> emission limit for the "bubbled" 19 heaters must be increased. The (19) Refinery Fuel Gas Heaters/Furnaces lb/day SO<sub>2</sub> emission limitation was based on MMBtu/hr from the emission inventory database (AFS), and higher fuel heat value (1,015 British thermal units per standard cubic foot (Btu/scf)) from the 1990 Base-Year Carbon Monoxide Emission Inventory. By using these parameters, the daily "bubble" SO<sub>2</sub> permit limit can be raised to 386 lb/day, as was indicated in the Preliminary Determination. Conoco requested the daily limit be increased to 612 lb/day, which is equivalent to the rate used in the Billings SO<sub>2</sub> State Implementation Plan (SIP) modeling (111.7 TPY). The annual "bubble" SO<sub>2</sub> limit of 30.0 TPY was maintained.

The Department received comments from Conoco, in which Conoco contends that the maximum heat input (MMBtu/hr) from the AFS does not accurately reflect the real maximum firing rates of the heaters. After further review of the files, the Department established the total maximum firing rate for the (19) Refinery Fuel Gas Heaters/Furnaces to be 785.5 MMBtu/hr. This total maximum firing rate was identified by Conoco during the permit review of the Coker permit (MAQP #2619). The maximum heat input of 785.5 MMBtu/hr and the fuel heat of 958 Btu/scf are used to calculate a new daily "bubble" SO<sub>2</sub> permit limit of 529.17 lb/day.

The change in air emissions of other criteria pollutants (carbon monoxide (CO), nitrogen oxide (NO<sub>x</sub>), particulate matter (PM), and VOC) associated with this project are zero, since the Potentials to Emit (PTE) were not changed. With the current 164-lb/day SO<sub>2</sub> limit, simultaneous maximum firing of these heaters can be accomplished if the fuel gas H<sub>2</sub>S content stays below 49.75 ppmv. Conoco's amine systems produce fuel gas averaging (on an annual basis) of about 25 ppmv H<sub>2</sub>S content or less (see 1993 and 1994 Refinery EIS's). Since the emissions of CO, NO<sub>x</sub>, and VOC produced are not a function

of H<sub>2</sub>S content, and Conoco's current amine system can generate appropriate fuel gas to stay at or below the 164 lb/day SO<sub>2</sub> limit, the maximum potentials of these pollutants are obtainable and were not affected by this project. The PM limits for these heaters are 80 times higher than the amount generated by fuel gas combustion devices (see ARM 17.8.340); therefore, the PM emissions potential was not affected as well.

Even though Conoco's past annual average fuel gas H<sub>2</sub>S content was below 37.8 ppmv, there was still potential to run into operational limitations in peak fuel gas demand periods. The amine systems may not be able to keep the fuel gas H<sub>2</sub>S under 49.75 ppmv, rendering the refinery to operate at un-optimized rates. This was the reason for the request to raise the daily SO<sub>2</sub> emissions limit for the "19-Heater" source.

Since the proposed change to the heaters' SO<sub>2</sub> emissions limit does not reflect an annual increase in PTE, the project is not subject to PSD permitting review (threshold for SO<sub>2</sub> is 40 TPY).

In light of the SO<sub>2</sub> problem in the Billings-Laurel air shed, any change resulting in an increase of SO<sub>2</sub> emissions must have its impact determined to see if any National Ambient Air Quality Standards (NAAQS) will be violated as a result of the project. SO<sub>2</sub> modeling was completed by the Department to develop a revised SO<sub>2</sub> SIP for the Billings-Laurel area (see the Billings/Laurel SO<sub>2</sub> SIP Compliance Demonstration Report dated November 15, 1994). The "19-Heater source" was modeled using an SO<sub>2</sub> emission rate equivalent to 111.7 TPY to determine its SO<sub>2</sub> impact on the Billings-Laurel air shed. The results of this modeling showed there were no exceedances of the SO<sub>2</sub> NAAQS or the Montana standards resulting from its operation. Therefore, an increase in the permit limit from 164 lb/day to 612 lb/day of SO<sub>2</sub> did not result in any violations of SO<sub>2</sub> NAAQS or Montana standards; however, the daily emission limit set based on the NSPS limit of 0.1 grains per dry standard cubic foot (gr/dscf) (160 ppmv H<sub>2</sub>S) is more restrictive than the SIP limit. The daily emission limit, based on NSPS, is 529.17 lb/day for the existing 19 heaters/furnaces.

With the change of a daily SO<sub>2</sub> permit limit for the "19-Heater" source, Conoco also requested that the "19-Heater" source, the Coker heater (H-3901), and the GOHDS heaters (H-8401 and H-8402) be combined into one permitted source called the "Fuel-Gas-Heaters" source. Using the existing daily SO<sub>2</sub> permit limits for the Coker heater and GOHDS heaters, an overall SO<sub>2</sub> emissions limit "bubble" of 614 lb/day would apply to the "22-Fuel-Gas-Heaters" source. The annual limit for the "22-Fuel-Gas-Heaters" source has not changed and is 45.50 TPY (30.00 + 9.60 + 2.90 + 3.00).

On April 19, 1997, Conoco was issued **MAQP #2619-09** to "bubble" or combine the allowable hourly and annual NO<sub>x</sub> emission limits for the Coker Heater, Recycle Hydrogen Heater, Fractionator Feed Heater, and Hydrogen Plant Heaters. The NO<sub>x</sub> emission limits for these heaters were established on a pounds-per-million-Btu basis, and will be maintained.

By "bubbling" or combining the allowable hourly and annual NO<sub>x</sub> emission limits for the Coker Heater, Recycle Hydrogen Heater, Fractionator Feed Heater, and Hydrogen Plant Heaters allows Conoco more operational flexibility with regard to heater firing rates and heater optimization. The Coker heater still has an hourly NO<sub>x</sub> emission limit to prevent any significant impacts. This permit alteration does not allow an increase in the annual NO<sub>x</sub> emissions. MAQP #2619-09 replaced MAQP #2619-08.

On July 30, 1997, **MAQP #2619-10** was issued to Conoco in order to comply with 40 CFR 63, Subpart R, National Emission Standards for Gasoline Distribution Facilities. Conoco installed a gasoline vapor collection system and enclosed flare for the reduction

of Hazardous Air Pollutants (HAPs) resulting from the loading of gasoline. The vapor combustion unit (VCU) was added to the bulk gasoline and distillate loading rack. The gasoline vapors were collected from the trucks during loading, then routed to an enclosed flare, where combustion occurs. The project results in overall reductions in the amount of actual emissions of VOCs (94.8 TPY), with a slight increase in CO (2.1 TPY) and NO<sub>x</sub> (0.8 TPY) emissions. The actual reduction in potential emissions of VOCs is 899.5 TPY, while CO increases to 19.7 TPY and NO<sub>x</sub> increases to 7.9 TPY emissions.

In addition, Conoco requested an administrative change be made to Section II.F.5, which brought the permit requirements in alignment with the monitoring requirements specified by 40 CFR 60, Subpart QQQ, and 40 CFR 61, Subpart FF.

Because Conoco's Bulk gasoline and distillate loading tank VCU is defined as an incinerator under Montana Code Annotated (MCA) 75-2-215, a determination that the emissions from the VCU constitutes a negligible risk to public health is required prior to the issuance of a permit to the facility. Conoco and the Department identified the following HAPs from the flare, which were used in the health risk assessment. These constituents are typical components of gasoline.

1. Benzene
2. Ethyl Benzene
3. Hexane
4. Methyl Tert Butyl Ether
5. Toluene
6. Xylenes

The reference concentrations for Ethyl Benzene, Hexane, and Methyl Tert Butyl Ether were obtained from EPA's IRIS database. The risk information for the remaining HAPs is contained in the January 1992 CAPCOA Risk Assessment Guidelines. The model performed by Conoco for the HAPs identified above, demonstrate compliance with the negligible risk requirement. MAQP #2619-10 replaced MAQP #2619-09.

On December 10, 1997, Conoco requested a modification to allow the continuous incineration of a PB Merox Unit off-gas stream in the firebox of Heater #16. MAQP #2619-10 required the production of SO<sub>2</sub> from the sulfur containing compounds in the PB Merox Unit off-gas stream to be calculated and counted against the current SO<sub>2</sub> limitations applicable to the (22) Refinery Fuel Gas Heaters/Furnaces group. During a review of process piping and instrumentation diagrams, Conoco identified a PB Merox Unit off-gas stream incinerated in the firebox of Heater #16. A subsequent analysis of this off-gas stream revealed the presence of sulfur-containing compounds in low concentrations. The bulk of this low-pressure off-gas stream is nitrogen with some oxygen, hydrocarbons, and sulfur-containing compounds (disulfides, mercaptans). SO<sub>2</sub> produced from the continuous incineration of this stream has been calculated at approximately 1 TPY. This off-gas stream is piped from the top of the disulfide separator through a small knock-out drum and directly into the firebox of Heater #16.

Conoco proposed to sample the PB Merox Unit disulfide separator gas stream on a monthly basis to determine the total sulfur (ppmw) present. This analysis, combined with the off-gas stream flow rate, is used to calculate the production of SO<sub>2</sub>. After a year of sampling time and with the approval of the Department, Conoco may propose to reduce the sampling frequency of the PB Merox disulfide separator off-gas stream to once per quarter if the variability in the sulfur content is small (250 ppmw).

In addition, to be consistent with the wording as specified by 40 CFR 63, Subpart R, the Department replaced all references to "tank trucks" with "cargo tank" and all references to "truck loading rack" with "loading rack". Also, the first sentence in Section II.F.5 was deleted from the permit. Conoco had requested an administrative change be made to Section II.F.5, during the permitting action of #2619-10, which would bring the permit requirements in alignment with the monitoring requirements specified by 40 CFR 60, Subpart QQQ, and 40 CFR 61, Subpart FF. The Department approved the request and the correction was made, but the first sentence was inadvertently left in the permit. **MAQP #2619-11** replaced MAQP #2619-10.

On June 6, 2000, the Department issued **MAQP #2619-12** for replacement of the B-101 thermal reactor at the Jupiter Sulphur facility. The existing B-101 thermal reactor had come to the end of its useful life and had to be replaced. The replacement B-101 thermal reactor was physically located approximately 50 feet to the north of the existing thermal reactor, due to the excessive complications that would be encountered to dismantle the old equipment and construct the new equipment in the same space. Once the piping was rerouted to the new equipment the old equipment was incapable of use and will be demolished. Given this construction scenario, the Department determined that a permit condition limiting the operation to only one thermal reactor at a time was necessary. There was no increase in emissions due to this action. MAQP #2619-12 replaced MAQP #2619-11.

Conoco submitted comments on the Preliminary Determination (PD) of MAQP #2619-12. The following is the result of these comments:

In previously issued permits, Section II.A.4 listed storage tanks #4510 and #4511 as having external floating roofs with primary seal, which were liquid mounted stainless steel shoes and secondary seal equipped with a Teflon curtain or equivalent. Conoco stated that these two tanks were actually equipped with internal floating roofs with double-rim seals or a liquid-mounted seal system for VOC loss control.

Section II.A.7.g.ii always listed the CPI separators as primary separators, when in fact they are secondary.

The Department accepted the comments and made the changes, accordingly, in the Department decision version of the permit.

On March 1, 2001, the Department issued **MAQP #2619-13** for the installation and operation of 19 diesel-powered, temporary generators. These generators are necessary because of the high cost of electricity and supplement 18 MW of the refinery's electrical load, and 1 MW of Jupiter's electrical load. The generators are located south of the coke loading facility along with two new aboveground 20,000-gallon diesel storage tanks. The operation of the generators will not occur beyond 2 years and is not expected to last for an extended period of time, but rather only for the length of time necessary for Conoco to acquire a permanent, more economical supply of power.

Because these generators are only to be used when commercial power is too expensive to obtain, the amount of emissions expected during the actual operation of these generators is minor. In addition, the installation of these generators qualified as a "temporary source" under the PSD permitting program because the permit limited the operation of these generators to a time period of less than 2 years. Therefore, Conoco was not required to comply with ARM 17.8.804, 17.8.820, 17.8.822, and 17.8.824. Even though the portable generators were considered temporary, the Department required compliance with Best Available Control Technology (BACT) and public notice requirements;

therefore, compliance with ARM 17.8.819 and 17.8.826 was ensured. In addition, Conoco is responsible for complying with all applicable ambient air quality standards. MAQP #2619-13 replaced MAQP #2619-12.

On April 13, 2001, the Department issued **MAQP #2619-14** for the 1982 Saturate Gas Plant Project, submitted by Conoco as a retroactive permit application. During an independent compliance awareness review that was performed in 2000, Conoco discovered that the Saturate Gas Plant should have gone through the permitting process prior to it being constructed. At the time of construction, the project likely would have required a PSD permit. However, the current PTE for the project facility is well below the PSD VOC significance threshold. In addition, the Saturate Gas Plant currently participates in a federally-required leak detection and repair (LDAR) program, which would meet any BACT requirements, if PSD applied. The Department agreed that a permitting action in the form of a preconstruction permit application for the Saturate Gas Plant Project was necessary and sufficient to address the discrepancy. MAQP #2619-14 replaced MAQP #2619-13.

On June 29, 2002, the Department issued **MAQP #2619-15** to clarify language regarding the Appendix F Quality Assurance requirements for the fuel gas H<sub>2</sub>S measurement system and to include certain limits and standards associated with the Consent Decree lodged on December 20, 2001, respectively. In addition, the Department modified the permit to eliminate references to the now repealed odor rule (ARM 17.8.315), to correct the reference on conditions improperly referencing the incinerator rule (ARM 17.8.316), and to eliminate the limits on the main boiler that were less stringent than the current limit established by the Consent Decree. MAQP #2619-15 replaced MAQP #2619-14.

The Department received a request from Conoco on August 27, 2002, for the alteration of air quality MAQP #2619-15 to incorporate the Low Sulfur Gasoline (LSG) Project into the refinery's equipment and operations. The LSG Project was being proposed to assist in complying with EPA's Tier 2 regulations. The project included the installation of a new storage vessel and minor modifications to the No.2 hydrodesulfurization (HDS) unit, GOHDS unit, and hydrogen (H<sub>2</sub>) unit in order to accommodate hydrotreating additional gasoline and gas oil streams that were currently not hydrotreated prior to being blended or processed in the FCCU. The new storage vessel was designed to store offspec gasoline during occasions when the GOHDS unit was offline.

In addition, on August 28, 2002, Conoco requested to eliminate the footnote contained in Section II.B.1.b of MAQP #2619-15 stating, "Emissions [of the SRU Flare] occur only during times that the ATS unit is not operating." Further, Conoco requested to change the SO<sub>2</sub> emission limitations of 25 pounds per hour (lbs/hr) for each of the SRU Flare and SRU/ATS Main Stack to a 25-lbs/hr limit on the combination of the SRU Flare and SRU/ATS Main Stack. Following discussion between Conoco and the Department regarding comments received within the Department and from EPA, Conoco requested an extension to delay issuance of the Department Decision to December 9, 2002. Following additional discussion, Conoco and the Department agreed to leave the footnote in the permit for the issuance of **MAQP #2619-16** and to revisit the issue at another time. MAQP #2619-16 replaced MAQP #2619-15.

A letter from ConocoPhillips dated December 9, 2002, and received by the Department on December 10, 2002, notified the Department that Conoco had changed its name to ConocoPhillips. In a letter dated February 3, 2003, ConocoPhillips also requested the removal of the conditions regarding the temporary power generators because the permit terms for the temporary generators were "not to exceed 2 years" and the generators had been removed from the facility. The permit action changed the name on this permit from

Conoco to ConocoPhillips and removed permit terms regarding temporary generators. **MAQP #2619-17** was also updated to reflect current permit language and rule references used by the Department. MAQP #2619-17 replaced MAQP #2619-16.

On December 11, 2003, the Department received a MAQP Application from ConocoPhillips to modify MAQP #2619-17 to replace the existing 143.8- MMBtu/hr boilers, B-5 and B-6, with new 183-MMBtu/hr boilers equipped with low NO<sub>x</sub> burners (LNB) and flue gas recirculation (FGR) commonly referred to as ultra-low NO<sub>x</sub> burners (ULNB), new B-5 and new B-6 (previously referred to as B-7 and B-8), to meet the NO<sub>x</sub> emission reduction requirements stipulated in the EPA Consent Decree. On December 23, 2003, the Department deemed the application complete. This permitting action contained NO<sub>x</sub> emissions that exceed PSD significance levels. The replacement of the boilers resulted in an actual NO<sub>x</sub> reduction of approximately 89 tons per year. However, the EPA Consent Decree stipulated that reductions were not creditable for PSD purposes. MAQP #2619 was also updated to reflect current permit language and rule references used by the Department. **MAQP #2619-18** replaced MAQP #2619-17.

On February 3, 2004, the Department received a MAQP Application from ConocoPhillips to modify MAQP #2619-18 to add a new HDS Unit (No.5), a new sour water stripper (No.3 Sour Water Stripper (SWS)), and a new H<sub>2</sub> Unit. On March 1, 2004, the Department deemed the application complete upon submittal of additional information. The addition of these new units added three new heaters, 41, 42, and 43, each equipped with low LNB FGR commonly referred to as ULNB. Additionally, ConocoPhillips proposed to retrofit existing external floating roof tank T-110 with a cover to allow nitrogen blanketing of the tank, to install a new storage vessel (No.5 HDS Feed storage tank) under emission point 24 above, to store feed and off-specification material for the No.5 HDS Unit, and to provide the No.1 H<sub>2</sub> Unit with the flexibility to burn refinery fuel gas (RFG). The new equipment was added to meet the new EPA-required highway Ultra Low Sulfur Diesel (ULSD) fuel sulfur standard of 100% of highway diesel that meets the 15 parts per million (ppm) highway diesel fuel maximum sulfur specification by June 1, 2006. By meeting the June 1, 2006, deadline, ConocoPhillips may claim a 2-year extension for the phase in of the requirements of the Tier Two Gasoline/Sulfur Rulemaking. This permitting action resulted in NO<sub>x</sub> and VOC emissions that exceed PSD significance levels. Other changes were also contained in this permit. Previously in permit condition II.A.1 it was stated that the emergency flare tip must be based at 148-feet elevation. After a physical survey of the emergency flare it was determined that the actual height of the flare tip is 141.5-feet elevation. After verifying that the impacts of the height discrepancy were negligible, the Department changed permit condition II.A.1 from 148-feet of elevation to 142-feet plus or minus 2 feet of elevation and changed the reference from ARM 17.8.752 to ARM 17.8.749. **MAQP #2619-19** was updated to reflect current permit language and rule references used by the Department. MAQP #2619-19 replaced MAQP #2619-18.

On June 15, 2004, the Department received an Administrative Amendment request from ConocoPhillips to modify MAQP #2619-19 to correct the averaging time for equipment subject to the 0.073 gr/dscf H<sub>2</sub>S content of fuel gas burned limit. The averaging time was corrected from a rolling 3-hour time period to a rolling 12-month time period. The heaters subject to the 0.073 gr/dscf limit per rolling 12-month time period are subject to the Standards of Performance for NSPS, Subpart J limit of 0.10 gr/dscf per rolling 3-hour time period. **MAQP #2619-20** replaced MAQP #2619-19.

On March 15, 2005, the Department received a complete MAQP Application from ConocoPhillips to modify MAQP #2619-20 to update the HDS Unit (No.5), sour water

stripper (No.3 SWS), and H<sub>2</sub> Unit added in ULSD MAQP Modification #2619-19. Due to the final project design and vendor specifications, and further review of the EPA compiled emission factor data, the facility's emission generating activities, and MAQP #2619-19, ConocoPhillips proposed the following changes:

1. Deaerator Vent (44) at the No.2 H<sub>2</sub> Unit is to be deleted
2. No.2 H<sub>2</sub> Unit PSA Offgas Vent (45) is to be added
3. CO emission factors for the three new heaters to be changed from AP-42 Section 1.4 (October 1996) to vendor guaranteed emission factors
4. Particulate matter with an aerodynamic diameter of 10 microns or less (PM<sub>10</sub>) exhaust emission factors for the combustion of PSA vent gas in the No.1 H<sub>2</sub> Heater and the No.2 H<sub>2</sub> Reformer Heater to be changed from AFSCF, EPA 450/4-90-003 p.23 to AP-42, Section 1.4 (July 1998)
5. The dimensions, secondary rim seal, and specific deck fittings data for the No.5 HDS Feed Tank to be updated. The tank is proposed to store material with a maximum true vapor pressure of 11.1 pounds per square inch at atmosphere (psia).
6. Specific deck fittings for existing Tank-110 to be revised. The tank is proposed to store material with a maximum true vapor pressure of 11.1 psia.
7. The existing No.1 H<sub>2</sub> Unit PSA Offgas Vent (46) to be added to the permit. This unit is not affected by the ULSD project, but is included with this submittal as a reconciliation issue.
8. The NO<sub>x</sub> emissions limitations cited for each of the three new ULSD Project heaters are requested to be clarified as "per rolling 12-month time period."
9. The CO emissions limitations cited for each of the three new ULSD Project heaters be replaced and cited with the appropriate updated values and associated averaging periods.
10. The nomenclature for Boilers B-7 and B-8 be changed to new B-5 and new B-6 respectively.
11. In accordance with Paragraph 54 of the Consent Decree the FCCU became subject to the SO<sub>2</sub> portions of Standards of Performance for New Stationary Sources (NSPS), Subpart J on February 1, 2005.
12. 40 CFR 63, Subpart DDDDD (National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters) has been finalized. The regulatory applicability analysis has been updated for the three new heaters.

**MAQP #2619-21** replaced MAQP #2619-20.

On January 15, 2007, the Department received a complete application which included the request to incorporate the following permit conditions, which were requested in separate letters:

- Refinery Main Plant Relief Flare – to clarify that the flare is subject to NSPS 40 CFR 60, Subparts A and J (as requested September 28, 2004)
- FCCU – to clarify that the FCCU is subject to CO and SO<sub>2</sub> portions of Subpart J (requested September 26, 2003, and February 8, 2005, respectively, and partly addressed in MAQP #2619-21)
- FCCU - to clarify that the FCCU was subject to an SO<sub>2</sub> emission limit of 25 parts per million, on a volume, dry basis (ppmvd), corrected to 0% oxygen (O<sub>2</sub>), on a rolling 365-day basis, and subject to an SO<sub>2</sub> emission limit of 50 ppmvd, corrected to 0% O<sub>2</sub>, on a rolling 7-day basis, and clarify the 7-day SO<sub>2</sub> 50 ppmvd emission limit established for the FCCU shall not apply during periods of hydrotreater outages (requested February 1, 2006)
- Temporary Boiler Installation – to allow the installation and operation, for up to 8 weeks per year, of a temporary natural gas-fired boiler not to exceed 51 MMBtu/hr, as requested January 4, 2007

The permit was also updated to reflect the current style that the Department issues permits. **MAQP #2619-22** replaced MAQP #2619-21.

The Department received two requests from ConocoPhillips for modifications to the permit in conformance with requirements contained in their consent decree (Civil Action #H-01-4430):

- 5/31/07 – request to clarify that the Jupiter Sulfur Plant Flare (Jupiter Flare) is subject to 40 CFR 60, Subparts A and J; and
- 8/29/07 – request to clarify that the FCCU is subject to a PM emission limit of 1 lb per 1,000 lb of coke burned, and that it is an affected facility subject to 40 CFR 60, Subparts A and J, including the 30% opacity limitation. The requirement to maintain less than 20% opacity was then removed, since the FCCU became subject to the 30% Subpart J opacity limit which supersedes the ARM 17.8.304 opacity limit.

The Department amended the permit, as requested. In addition, the references to 40 CFR 63, Subpart DDDDD were changed to reflect that this regulation has become “state-only” since, although the federal rule was vacated on July 30, 2007, this MACT was incorporated by reference in ARM 17.8.342. Lastly, reference to Tank T-4524 was corrected to T-4523 (wastewater surge tank) and regulatory applicability changed from 40 CFR 60, Subpart Kb to Subpart QQQ, and the LSG tank identification was corrected to T-2909. **MAQP #2619-23** replaced MAQP #2619-22.

On August 21, 2008, the Department received a complete NSR-PSD permit application from ConocoPhillips. ConocoPhillips is proposing to replace the existing Small and Large Crude Units and the existing Vacuum Unit with a new, more efficient Crude and Vacuum Unit. This project is referred to as the New Crude and Vacuum Unit (NCVU) project. The NCVU project will enable ConocoPhillips’ Billings refinery to process both conventional crude oils and SynBit/oil sands crude oils and increase crude distillation capacity about 25%. The NCVU project will require modifications and optimization of the following existing process units: No. 2 HDS Unit, Saturate Gas Plant, No. 2 and No. 3 Amine Units, No. 5 HDS Unit, Coker Unit, No. 1 and 2 H<sub>2</sub> Plants, Hydrogen Purification Unit (HPU), Raw Water Demineralizer System, Jupiter SRU/ATS Plant, and the FCCU. The primary objectives of the NCVU Project are to improve crude fractionation and energy efficiency of the refinery,

and to increase crude processing capacity and crude feed flexibility to reduce feed costs. As a result of the NCVU Project, the Jupiter Plant feed rate capacity will need to be increased to approximately 235 LTD of sulfur. With the submittal of this complete application, the minor source baseline dates for SO<sub>2</sub>, PM, and PM<sub>10</sub> have now been triggered in the Billings area as of August 21, 2008. The minor source baseline date for NO<sub>x</sub> was already established by Yellowstone Energy Limited Partnership (formerly Billings Generation Inc.) on November 8, 1991.

In addition, the Department clarified the permit language for the bulk loading rack VCU regarding the products that may be loaded in the event the VCU is inoperable. **MAQP #2619-24** replaced MAQP #2619-23.

#### D. Current Permit Action

On June 12, 2009, the Department received a request from ConocoPhillips to administratively amend MAQP #2619-24 to include certain limits and standards. This amendment is in response to requirements contained in the Consent Decree (CD) that ConocoPhillips has entered into with EPA along with the Department. The CD was set forth on December 20, 2001.

As a result of the requirements set forth within the CD, ConocoPhillips has requested the following limits and standards (agreed to by EPA) to be included in the MAQP:

The NO<sub>x</sub> emissions from the FCCU shall have a limit of 49.2 parts per million, volumetric dry (ppmvd), corrected to 0% O<sub>2</sub>, on a rolling 365-day average and 69.5 ppmvd, corrected to 0% O<sub>2</sub>, on a rolling 7-day average. Per Paragraph 27 of the above-referenced CD, the 7-day NO<sub>x</sub> emission limit established for the FCC shall not apply during periods of hydrotreater outages at the refinery, provided that ConocoPhillips is maintaining and operating its FCC (including associated air pollution control equipment) in a manner consistent with good air pollution control practices for minimizing emissions in accordance with the EPA-approved good air pollution control practices plan.

As a result of this request, **MAQP #2619-25** replaces MAQP #2619-24.

#### F. Additional Information

Additional information, such as applicable rules and regulations, BACT/Reasonably Available Control Technology (RACT) determinations, air quality impacts, and environmental assessments, is included in the analysis associated with each change to the permit.

## II. Applicable Rules and Regulations

The following are partial explanations of some applicable rules and regulations that apply to the facility. The complete rules are stated in the ARM and are available, upon request, from the Department. Upon request, the Department will provide references for locations of complete copies of all applicable rules and regulations or copies where appropriate.

#### A. ARM 17.8, Subchapter 1 - General Provisions, including, but not limited to:

1. ARM 17.8.101 Definitions. This rule includes a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.

2. ARM 17.8.105 Testing Requirements. Any person or persons responsible for the emission of any air contaminant into the outdoor atmosphere shall, upon written request of the Department, provide the facilities and necessary equipment, including instruments and sensing devices, and shall conduct tests, emission or ambient, for such periods of time as may be necessary using methods approved by the Department. ConocoPhillips shall also comply with monitoring and testing requirements of this permit.
3. ARM 17.8.106 Source Testing Protocol. The requirements of this rule apply to any emission source testing conducted by the Department, any source, or other entity as required by any rule in this chapter, or any permit or order issued pursuant to this chapter, or the provisions of the Clean Air Act of Montana, 75-2-101, *et seq.*, MCA.

ConocoPhillips shall comply with all requirements contained in the Montana Source Test Protocol and Procedures Manual, including, but not limited to, using the proper test methods and supplying the required reports. A copy of the Montana Source Test Protocol and Procedures Manual is available from the Department upon request.

4. ARM 17.8.110 Malfunctions. (2) The Department must be notified promptly by telephone whenever a malfunction occurs that can be expected to create emissions in excess of any applicable emission limitation or to continue for a period greater than 4 hours.
5. ARM 17.8.111 Circumvention. (1) No person shall cause or permit the installation or use of any device or any means which, without resulting in reduction in the total amount of air contaminant emitted, conceals or dilutes an emission of air contaminant that would otherwise violate an air pollution control regulation. (2) No equipment that may produce emissions shall be operated or maintained in such a manner that a public nuisance is created.

B. ARM 17.8, Subchapter 2 - Ambient Air Quality, including, but not limited to:

1. ARM 17.8.204 Ambient Air Monitoring
2. ARM 17.8.210 Ambient Air Quality Standards for Sulfur Dioxide
3. ARM 17.8.211 Ambient Air Quality Standards for Nitrogen Dioxide
4. ARM 17.8.212 Ambient Air Quality Standards for Carbon Monoxide
5. ARM 17.8.213 Ambient Air Quality Standard for Ozone
6. ARM 17.8.214 Ambient Air Quality Standard for Hydrogen Sulfide
7. ARM 17.8.221 Ambient Air Quality Standard for Visibility
8. ARM 17.8.223 Ambient Air Quality Standard for PM<sub>10</sub>

ConocoPhillips must comply with the applicable ambient air quality standards. See Section VI Ambient Air Impact Analysis.

C. ARM 17.8, Subchapter 3 - Emission Standards, including, but not limited to:

1. ARM 17.8.304 Visible Air Contaminants. This rule requires that no person may cause or authorize emissions to be discharged to an outdoor atmosphere from any source installed after November 23, 1968, that exhibit an opacity of 20% or greater averaged over 6 consecutive minutes.

2. ARM 17.8.308 Particulate Matter, Airborne. (1) This rule requires an opacity limitation of less than 20% for all fugitive emission sources and that reasonable precautions be taken to control emissions of airborne particulate matter. (2) Under this rule, ConocoPhillips shall not cause or authorize the use of any street, road, or parking lot without taking reasonable precautions to control emissions of airborne particulate matter.
3. ARM 17.8.309 Particulate Matter, Fuel Burning Equipment. This rule requires that no person shall cause, allow or permit to be discharged into the atmosphere particulate matter caused by the combustion of fuel in excess of the amount determined by this rule.
4. ARM 17.8.310 Particulate Matter, Industrial Process. This rule requires that no person shall cause, allow, or permit to be discharged into the atmosphere particulate matter in excess of the amount set forth in this rule.
5. ARM 17.8.316 Incinerators. This rule requires that no person may cause or authorize emissions to be discharged into the outdoor atmosphere from any incinerator, particulate matter in excess of 0.10 grains per standard cubic foot of dry flue gas, adjusted to 12% carbon dioxide and calculated as if no auxiliary fuel had been used. Further, no person shall cause or authorize to be discharged into the outdoor atmosphere from any incinerator emissions that exhibit an opacity of 10% or greater averaged over 6 consecutive minutes.
6. ARM 17.8.322 Sulfur Oxide Emissions--Sulfur in Fuel. (4) Commencing July 1, 1972, no person shall burn liquid or solid fuels containing sulfur in excess of 1 pound of sulfur per million Btu fired. (5) Commencing July 1, 1971, no person shall burn any gaseous fuel containing sulfur compounds in excess of 50 grains per 100 cubic feet of gaseous fuel, calculated as hydrogen sulfide at standard conditions. ConocoPhillips will burn RFG gas, PSA gas, or natural gas, which will meet this limitation.
7. ARM 17.8.324 Hydrocarbon Emissions--Petroleum Products. (3) No person shall load or permit the loading of gasoline into any stationary tank with a capacity of 250 gallons or more from any tank truck or trailer, except through a permanent submerged fill pipe, unless such tank is equipped with a vapor loss control device as described in (1) of this rule.
8. ARM 17.8.340 Standard of Performance for New Stationary Sources and Emission Guidelines for Existing Sources. This rule incorporates, by reference, 40 CFR Part 60, NSPS. ConocoPhillips is considered an NSPS affected facility under 40 CFR Part 60 and is subject to NSPS Subparts including, but not limited to:
  - a. Subpart A, General Provisions, applies to all equipment or facilities subject to an NSPS Subpart as listed below.
  - b. Subpart Db, Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units shall apply to all affected boilers at the facility which were constructed after June 19, 1984, are larger than 100 MMBtu/hr, and combust fossil fuel.

- c. Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units shall apply to all affected boilers at the facility which were constructed after June 9, 1989, are between 10 MMBtu/hr and 100 MMBtu/hr, and combust fossil fuel.
- d. Subpart J, Standards of Performance for Petroleum Refineries, shall apply to:
- All of the heaters and boilers at the ConocoPhillips refinery (except those subject to Subpart Ja);
  - The Claus units at the Jupiter sulfur recovery facility (until it becomes subject to Subpart Ja);
  - The Refinery Main Plant Relief Flare. Compliance will be in accordance with 40 CFR 60.11(d) in lieu of the requirements of 40 CFR 60.104, 105 and 107 (Civil Action No. H-01-4430 (“ConocoPhillips Consent Decree”), Paragraphs 161 and 162);
  - The Jupiter Sulfur Plant Flare (Jupiter Flare, also known as the SRU/Ammonium Sulfide Unit Flare) (ConocoPhillips Consent Decree, Paragraphs 155 and 156) (until it becomes subject to Subpart Ja);
  - The FCCU (CO, SO<sub>2</sub>, PM and opacity) (ConocoPhillips Consent Decree, Paragraph 54); and
  - Any other affected equipment
- e. Subpart Ja, Standards for Performance for Petroleum Refineries for Which Construction, Reconstruction, or Modification Commenced After May 14, 2007, shall apply to:
- New Crude Heater (H-2301);
  - New Vacuum Heater (H-2401);
  - Wastewater Treatment System Thermal Oxidizer (when firing supplemental RFG);
  - No. 1 H<sub>2</sub> Reformer Heater (H-9401);
  - Jupiter Sulfur Plant Flare (Jupiter Flare, also known as the SRU/Ammonium Sulfide Unit Flare);
  - Jupiter Plant SRU;
  - Jupiter ATS Plant;
  - Any other affected equipment
- f. Subpart Ka, Standards of Performance for Storage Vessels for Petroleum Liquids, shall apply to all volatile organic storage vessels (including petroleum liquid storage vessels) for which construction, reconstruction or modification commenced after May 18, 1978, and prior to July 23, 1984,

for equipment not overridden by 40 CFR 63, Subpart CC. These requirements shall be as specified in 40 CFR 60.110a through 60.115a. The affected tanks include, but are not limited to:

<u>Tank ID</u>	<u>Contents</u>
T-100 *	Asphalt
T-101*	Asphalt
T-102	Naphtha
T-104 *	Vacuum Resid

\* *Currently exempt from all emission control provisions due to vapor pressure of materials stored.*

- g. Subpart Kb, Standards of Performance for Volatile Organic Liquid Storage Vessels, shall apply to all volatile organic storage vessels (including petroleum liquid storage vessels) for which construction, reconstruction or modification commenced after July 23, 1984, for equipment not overridden by 40 CFR 63, Subpart CC. These requirements shall be as specified in 40 CFR Part 60.110b through 60.117b. The affected tanks include, but are not limited to, the following:

<u>Tank ID</u>	<u>Contents</u>
T-35	Slop oil
T-36	(currently out of service)
T-72	Gasoline
T-107*	Residue
T-110	Material with a max true vapor pressure of 11.1 psia
T-162*	Groundwater HC recovery
T-0851	(No. 5 HDS Feed Storage Tank)
T-2909	Gasoline – Low Sulfur
T-3201*	PMA

\* *Currently exempt from all emission control provisions due to vapor pressure of materials stored.*

- h. Subpart UU, Standards of Performance for Asphalt Processing and Asphalt Roofing Manufacture, shall apply to, but not be limited to, asphalt storage tank T-3201, and any other applicable storage tanks that commenced construction or modification after May 26, 1981. Asphalt storage tank T-3201 shall comply with the standards in 40 CFR 60.472(c), and 0% opacity, except for one consecutive 15-minute period in any 24-hour period when transfer lines are being blown for clearing. The PMA unit will be operating at 400°F, well under the asphalt's smoking temperature of 450°F; therefore, the tank vent opacity will always have 0% opacity. There are no record-keeping requirements under this subpart. However, any malfunction must be reported as required under ARM 17.8.110, Malfunctions.
- i. Subpart GGG, Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries, shall apply to, but not be limited to, the delayed coker unit, cryogenic unit, hydrogen membrane unit, gasoline merox unit, crude vacuum unit (until no longer in service), gas oil hydrotreater unit (consisting of a reaction section, fractionation section, and an amine treating section), No.1 Hydrogen Unit (22.0-MMscfd hydrogen plant feed system), Alkylation Unit Butane Defluorinator Project (consisting of heat exchangers X-453, X-223, X-450, X-451, X-452; pump P-646; and vessels D-130, D-359, D-360), PMA process unit, Alkylation Unit

- Depropanizer Project, new fugitive components associated with boilers B-5 and B-6; the fugitive components associated with the No.2 H<sub>2</sub> Unit and the No.5 HDS Unit; and any other applicable equipment constructed or modified after January 4, 1983.
- j. Subpart GGGa – Standards of Performance for Equipment Leaks of VOC in Petroleum Refineries for Which Construction, Reconstruction, or Modification Commenced After November 7, 2006, shall apply to all of the fugitive VOC emitting components added in the NCVU project (including the NCVU off-gas compressor) and any other applicable equipment constructed, reconstructed, or modified after November 7, 2006.
  - k. Subpart QQQ - Standards of Performance for VOC Emissions from Petroleum Refining Wastewater Systems shall apply to, but not be limited to, the coker unit drain system, desalter wastewater break tanks, CPI separators, gas oil hydrotreater, No.1 Hydrogen Unit (20.0-MMscfd hydrogen plant), C-23 compressor station, Alkylation Unit Butane Defluorinator Project, Alkylation Unit Depropanizer Project, the new individual drain system in the No.2 H<sub>2</sub> Unit and the No.5 HDS Unit, Tank T-4523, the NCVU individual drain system, the two API separators associated with the NCVU Project, and any other applicable equipment, for equipment not overridden by 40 CFR 63, Subpart CC.
  - l. All other applicable subparts and referenced test methods
9. ARM 17.8.341 Emission Standards for Hazardous Air Pollutants. ConocoPhillips shall comply with the standards and provisions of 40 CFR Part 61, as listed below:
- a. Subpart A, General Provisions applies to all equipment or facilities subject to a NESHAP Subpart as listed below.
  - b. Subpart FF, National Emission Standards for Benzene Waste Operations shall apply to, but not be limited to, all new or recommissioned wastewater sewer drains associated with the Alkylation Unit Depropanizer Project, the refinery's existing sewer system (including maintenance and water draw down activities of the LSG tank involving liquids that may include small concentrations of benzene), the new individual drain system for the waste streams associated with the No.2 H<sub>2</sub> Unit and the No.5 HDS Unit, Tanks 34 and 35, and the benzene-containing waste streams generated from the NCVU project.
  - c. Subpart M, National Emission Standard for Asbestos shall apply to, but not be limited to, the demolition and/or renovation of regulated asbestos containing material.
10. ARM 17.8.342 Emission Standards for Hazardous Air Pollutants for Source Categories. The source, as defined and applied in 40 CFR Part 63, shall comply with the requirements of 40 CFR Part 63, as listed below:
- a. Subpart A, General Provisions, applies to all NESHAP source categories subject to a Subpart as listed below.

- b. Subpart R, National Emission Standards for Gasoline Distribution Facilities, shall apply to, but not limited to, the Bulk Loading Rack.
  - c. Subpart CC, National Emission Standards for Hazardous Air Pollutants from Petroleum Refineries (Refinery MACT I).
  - d. Subpart UUU, National Emission Standards for Hazardous Air Pollutants for Petroleum Refineries: Catalytic Cracking Units, Catalytic Reforming Units, and Sulfur Recovery Units (Refinery MACT II), shall apply to, but not be limited to, the FCCU, and the Catalytic Reforming Unit #2. Subpart UUU does not apply to the Catalytic Reforming Unit #1 as long as the reformer is dormant or the catalyst is regenerated off-site.
  - e. Subpart EEEE National Emission Standards for Hazardous Air Pollutants: Organic Liquids Distribution (Non-Gasoline); shall apply to, but not be limited to, Proto storage tanks.
- D. ARM 17.8, Subchapter 4 - Stack Height and Dispersion Techniques, including, but not limited to:
- 1. ARM 17.8.401 Definitions. This rule includes a list of definitions used in this chapter, unless indicated otherwise in a specific subchapter.
  - 2. ARM 17.8.402 Requirements. ConocoPhillips must demonstrate compliance with the ambient air quality standards with a stack height that does not exceed Good Engineering Practices (GEP).
- E. ARM 17.8, Subchapter 5 - Air Quality Permit Application, Operation and Open Burning Fees, including, but not limited to:
- 1. ARM 17.8.504 Air Quality Permit Application Fees. This rule requires that an applicant submit an air quality permit application fee concurrent with the submittal of an air quality permit application. A permit application is incomplete until the proper application fee is paid to the Department. A permit fee is not required for the current permit action because the permit action is considered an administrative permit change.
  - 2. ARM 17.8.505 Air Quality Operation Fees. An annual air quality operation fee must, as a condition of continued operation, be submitted to the Department by each source of air contaminants holding an air quality permit, excluding an open burning permit, issued by the Department. The air quality operation fee is based on the actual or estimated actual amount of air pollutants emitted during the previous calendar year.
- An air quality operation fee is separate and distinct from an air quality permit application fee. The annual assessment and collection of the air quality operation fee, described above, shall take place on a calendar-year basis. The Department may insert into any final permit issued after the effective date of these rules, such conditions as may be necessary to require the payment of an air quality operation fee on a calendar-year basis, including provisions that prorate the required fee amount.
- F. ARM 17.8, Subchapter 7 - Permit, Construction, and Operation of Air Contaminant Sources, including, but not limited to:

1. ARM 17.8.740 Definitions. This rule is a list of applicable definitions used in this chapter, unless indicated otherwise in a specific subchapter.
2. ARM 17.8.743 Montana Air Quality Permits--When Required. This rule requires a person to obtain an air quality permit or permit alteration to construct, alter or use any air contaminant sources that have the PTE greater than 25 tons per year of any pollutant. ConocoPhillips has the PTE greater than 25 tons per year of PM, PM<sub>10</sub>, NO<sub>x</sub>, CO, VOC, and SO<sub>2</sub>; therefore, an air quality permit is required.
3. ARM 17.8.744 Montana Air Quality Permits--General Exclusions. This rule identifies the activities that are not subject to the Montana Air Quality Permit program.
4. ARM 17.8.745 Montana Air Quality Permits--Exclusion for De Minimis Changes. This rule identifies the de minimis changes at permitted facilities that do not require a permit under the Montana Air Quality Permit Program.
5. ARM 17.8.748 New or Modified Emitting Units--Permit Application Requirements. (1) This rule requires that a permit application be submitted prior to installation, alteration, or use of a source. A permit application was not required for the current permit action because the permit change is considered an administrative permit change. (7) This rule requires that the applicant notify the public by means of legal publication in a newspaper of general circulation in the area affected by the application for a permit. An affidavit of publication of public notice was not required for the current permit action because the permit change is considered an administrative permit change.
6. ARM 17.8.749 Conditions for Issuance or Denial of Permit. This rule requires that the permits issued by the Department must authorize the construction and operation of the facility or emitting unit subject to the conditions in the permit and the requirements of this subchapter. This rule also requires that the permit must contain any conditions necessary to assure compliance with the Federal Clean Air Act (FCAA), the Clean Air Act of Montana, and rules adopted under those acts.
7. ARM 17.8.752 Emission Control Requirements. This rule requires a source to install the maximum air pollution control capability that is technically practicable and economically feasible, except that BACT shall be utilized. The required BACT analysis is included in Section III of this permit analysis.
8. ARM 17.8.755 Inspection of Permit. This rule requires that air quality permits shall be made available for inspection by the Department at the location of the source.
9. ARM 17.8.756 Compliance with Other Requirements. This rule states that nothing in the permit shall be construed as relieving ConocoPhillips of the responsibility for complying with any applicable federal or Montana statute, rule, or standard, except as specifically provided in ARM 17.8.740, *et seq.*

10. ARM 17.8.759 Review of Permit Applications. This rule describes the Department's responsibilities for processing permit applications and making permit decisions on those permit applications that do not require the preparation of an environmental impact statement.
  11. ARM 17.8.762 Duration of Permit. An air quality permit shall be valid until revoked or modified, as provided in this subchapter, except that a permit issued prior to construction of a new or altered source may contain a condition providing that the permit will expire unless construction is commenced within the time specified in the permit, which in no event may be less than 1 year after the permit is issued.
  12. ARM 17.8.763 Revocation of Permit. An air quality permit may be revoked upon written request of the permittee, or for violations of any requirement of the Clean Air Act of Montana, rules adopted under the Clean Air Act of Montana, the FCAA, rules adopted under the FCAA, or any applicable requirement contained in the Montana State Implementation Plan (SIP).
  13. ARM 17.8.764 Administrative Amendment to Permit. An air quality permit may be amended for changes in any applicable rules and standards adopted by the Board of Environmental Review (Board) or changed conditions of operation at a source or stack that do not result in an increase of emissions as a result of those changed conditions. The owner or operator of a facility may not increase the facility's emissions beyond permit limits unless the increase meets the criteria in ARM 17.8.745 for a de minimis change not requiring a permit, or unless the owner or operator applies for and receives another permit in accordance with ARM 17.8.748, ARM 17.8.749, ARM 17.8.752, ARM 17.8.755, and ARM 17.8.756, and with all applicable requirements in ARM Title 17, Chapter 8, Subchapters 8, 9, and 10.
  14. ARM 17.8.765 Transfer of Permit. This rule states that an air quality permit may be transferred from one person to another if written notice of intent to transfer, including the names of the transferor and the transferee, is sent to the Department.
  15. ARM 17.8.770 Additional Requirements for Incinerators. This rule specifies the additional information that must be submitted to the Department for incineration facilities subject to 75-2-215, MCA.
- G. ARM 17.8, Subchapter 8 - Prevention of Significant Deterioration of Air Quality, including, but not limited to:
1. ARM 17.8.801 Definitions. This rule is a list of applicable definitions used in this subchapter.
  2. ARM 17.8.818 Review of Major Stationary Sources and Major Modifications -- Source Applicability and Exemptions. The requirements contained in ARM 17.8.819 through ARM 17.8.827 shall apply to any major stationary source and any major modification with respect to each pollutant subject to regulation under the FCAA that it would emit, except as this subchapter would otherwise allow. ConocoPhillips' existing petroleum refinery in Billings is defined as a "major stationary source" because it is a listed source with the PTE more than 100 tons per year of several pollutants (PM, PM<sub>10</sub>, SO<sub>2</sub>, NO<sub>x</sub>, CO, and VOCs).

ConocoPhillips' amendment to the MAQP is not defined as a "major modification" because the change is administrative and includes no increase in emissions. Therefore, the proposed amendment is far below the threshold for a significant net emissions increase.

H. ARM 17.8, Subchapter 10 – Preconstruction Permit Requirements for Major Stationary Sources of Modifications Located Within Attainment or Unclassified Areas, including, but not limited to:

1. ARM 17.8.1004 When Montana Air Quality Permit Required. (1) Any new major stationary source or major modification which would locate anywhere in an area designated as attainment or unclassified for a NAAQS under 40 CFR 81.327 and which would cause or contribute to a violation of a NAAQS for any pollutant at any locality that does not or would not meet the NAAQS for that pollutant, shall obtain from the Department a MAQP prior to construction in accordance with subchapters 7 and 8 and all requirements contained in this subchapter if applicable.

ConocoPhillips is a major stationary source undergoing a major modification in an area that is designated as attainment or unclassified for a NAAQS under 40 CFR 81.327. The nearby Laurel area is designated as nonattainment for the SO<sub>2</sub> NAAQS under 40 CFR 81.327, however. This nonattainment area consists of a 2.0 km radius around CHS Inc.'s petroleum refinery in Laurel. As shown in ConocoPhillips modeling demonstration for MAQP #2619-24, the proposed modifications are below the significant levels defined in ARM 17.8.1001 that would cause or contribute to a violation of the NAAQS in Laurel's designated SO<sub>2</sub> nonattainment area. Therefore, Subchapter 10 requirements did not apply to that permitting action.

I. ARM 17.8, Subchapter 12 - Operating Permit Program Applicability, including, but not limited to:

1. ARM 17.8.1201 Definitions. (23) Major Source under Section 7412 of the FCAA is defined as any stationary source having:
  - a. PTE > 100 TPY of any pollutant;
  - b. PTE > 10 TPY of any one HAP, PTE > 25 TPY of a combination of all HAPs, or a lesser quantity as the Department may establish by rule; or
  - c. PTE > 70 TPY of PM<sub>10</sub> in a serious PM<sub>10</sub> nonattainment area.
2. ARM 17.8.1204 Air Quality Operating Permit Program Applicability. (1) Title V of the FCAA Amendments of 1990 requires that all sources, as defined in ARM 17.8.1204 (1), obtain a Title V Operating Permit. In reviewing and issuing MAQP #2619-25 for ConocoPhillips, the following conclusions were made:
  - a. The facility's PTE is greater than 100 TPY for several pollutants.
  - b. The facility's PTE is greater than 10 TPY for any one HAP and greater than 25 TPY of all HAPs.
  - c. This source is not located in a serious PM<sub>10</sub> nonattainment area.

- d. This facility is subject to NSPS requirements.
- e. This facility is subject to current NESHAP standards.
- f. This source is not a Title IV affected source, nor a solid waste combustion unit.
- g. This source is not an EPA designated Title V source.

Based on these facts, the Department determined that ConocoPhillips is subject to the Title V operating permit program. ConocoPhillips' Title V Operating Permit #OP2619-03 was issued Final on December 16, 2008. This MAQP amendment will be included in the next Title V modification for ConocoPhillips..

J. MCA 75-2-103, Definitions provides, in part, as follows:

"Incinerator" means any single or multiple-chambered combustion device that burns combustible material, alone or with a supplemental fuel or catalytic combustion assistance, primarily for the purpose of removal, destruction, disposal, or volume reduction of all or any portion of the input material.

"Solid waste" means all putrescible and nonputrescible solid, semisolid, liquid, or gaseous wastes, including, but not limited to...air pollution control facilities...

K. MCA 75-2-215, Solid or hazardous waste incineration - additional permit requirements:

MCA 75-2-215 requires air quality permits for all new solid waste incinerators; therefore, ConocoPhillips must obtain an air quality permit.

MCA 75-2-215 requires the applicant to provide, to the Department's satisfaction, a characterization and estimate of emissions and ambient concentrations of air pollutants, including hazardous air pollutants from the incineration of solid waste. The Department determined that the information submitted in this application is sufficient to fulfill this requirement.

MCA 75-2-215 requires that the Department reach a determination that the projected emissions and ambient concentrations constitute a negligible risk to public health, safety, and welfare. ConocoPhillips completed a health risk assessment based on an emissions inventory and ambient air quality modeling for this proposal. Based on the results of the emission inventory, modeling, and the health risk assessment, the Department determined that ConocoPhillips's proposed wastewater treatment system thermal oxidizer complies with this requirement.

MCA 75-2-215 requires the application of pollution control equipment or procedures that meet or exceed BACT. The Department determined that the proposed incinerator (wastewater treatment system thermal oxidizer) constitutes BACT.

III. BACT Determination

A BACT determination is required for each new or altered source. ConocoPhillips shall install on the new or altered source the maximum air pollution control capability, which is technically practicable and economically feasible, except that BACT shall be utilized.

A BACT analysis was not required for the current permit action because the current permit action is considered an administrative permit action.

IV. Emission Inventory

The current permit action does not change any emissions from the facility. A copy of the full Emissions Inventory is on file at the Department.

V. Existing Air Quality

ConocoPhillips is located at 401 South 23<sup>rd</sup> Street in Billings, Montana in the NW ¼ of Section 2, Township 1 South, Range 26 East, in Yellowstone County. This area is considered attainment for all criteria pollutants. The Billings CO nonattainment area, which included ConocoPhillips, was reclassified to attainment by EPA's direct final rulemaking on April 22, 2002. The Laurel SO<sub>2</sub> nonattainment area is nearby.

VI. Ambient Air Impact Analysis

The Department determined that there would be no impacts from this permitting action. The Department believes it will not cause or contribute to a violation of any ambient air quality standard.

VIII. Taking or Damaging Implication Analysis

As required by 2-10-105, MCA, the Department conducted the following private property taking and damaging assessment.

YES	NO	
X		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	X	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	X	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	X	4. Does the action deprive the owner of all economically viable uses of the property?
	X	5. Does the action require a property owner to dedicate a portion of property or to grant an easement? [If no, go to (6)].
		5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests?
		5b. Is the government requirement roughly proportional to the impact of the proposed use of the property?
	X	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
	X	7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally?
	X	7a. Is the impact of government action direct, peculiar, and significant?
	X	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
	X	7c. Has government action lowered property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question?
	X	Takings or damaging implications? (Taking or damaging implications exist if YES is checked in

		response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b; the shaded areas)
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Based on this analysis, the Department determined there are no taking or damaging implications associated with this permit action.

IX. Environmental Assessment

This permitting action will not result in an increase of emissions from the facility and is considered an administrative action; therefore, an Environmental Assessment is not required.

Permit Analysis Prepared by: Skye Hatten

Date: July 7, 2009