

**MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY  
OPERATING PERMIT TECHNICAL REVIEW DOCUMENT**

**Permitting and Compliance Division  
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Phillips 66 Company  
Helena Product Terminal  
SE¼, NE¼, Section 28, Township 10 North, Range 3 West  
3180 Highway 12 East  
Lewis & Clark County  
Helena, MT 59601

The following table summarizes the air quality programs testing, monitoring, and reporting requirements applicable to this facility.

<b>Facility Compliance Requirements</b>	Yes	No	Comments
Source Tests Required	xx		
Ambient Monitoring Required		xx	
COMS Required		xx	
CEMS Required		xx	
Schedule of Compliance Required		xx	
Annual Compliance Certification and Semiannual Reporting Required	xx		As Applicable
Monthly Reporting Required		xx	
Quarterly Reporting Required		xx	
<b>Applicable Air Quality Programs</b>			
ARM Subchapter 7 – Montana Air Quality Permit	xx		MAQP #2907-07
New Source Performance Standards (NSPS)		xx	Following truck rack loading installation.
National Emission Standards for Hazardous Air Pollutants (NESHAPS)		xx	
Maximum Achievable Control Technology (MACT)	xx		40 CFR 63, Subpart BBBBBB
Major New Source Review (NSR) – includes Prevention of Significant Deterioration (PSD) and/or Non-attainment Area (NAA) NSR		xx	
Risk Management Plan Required (RMP)		xx	
Acid Rain Title IV		xx	
Compliance Assurance Monitoring (CAM)	xx		See Appendix E of the Operating Permit
State Implementation Plan (SIP)	xx		General SIP

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## SECTION I. GENERAL INFORMATION

### A. Purpose

This document establishes the basis for the decisions made regarding the applicable requirements, monitoring plan, and compliance status of emissions units affected by the operating permit proposed for this facility. The document is intended for reference during review of the proposed permit by the Environmental Protection Agency (EPA) and the public. It is also intended to provide background information not included in the operating permit and to document issues that may become important during modifications or renewals of the permit. Conclusions in this document are based on information provided in the renewal application received by the Department of Environmental Quality (Department) on July 18, 2008, information pertaining to the appropriate Responsible Official received July 10, 2009, the modification application received on September 13, 2010, and additional information received on October 11, 2010 and October 22, 2010. On December 19, 2011, the Department received a complete application to modify MAQP # 2907-06 by proposing a number of changes including the addition of a new 252,000 barrel (bbl) ethanol tank. The Department also received information in a letter on April 2, 2012 requesting a name change from ConocoPhillips Company to Phillips 66 Company.

### B. Facility Location

Phillips 66 Company (Phillips) owns and operates the Helena Product Terminal located in the SE¼ of the NE¼ of Section 28, Township 10 North, Range 3 West in Lewis and Clark County. Lewis and Clark County is designated as an Unclassifiable/Attainment Area for National Ambient Air Quality Standards (NAAQS) for all criteria pollutants. The Helena Product Terminal is located east of Helena on Highway 12 East. The Helena Product Terminal is bounded by the highway on the south, Montana Power and Explosives on the east, Burlington Northern Railroad on the north and Exxon product terminal on the west. The surrounding vicinity is mainly industrial. Mountain View School is located between the terminal and Lake Helena. There are no parks, residential areas, or medical facilities in the immediate vicinity of the terminal.

### C. Facility Background Information

#### Montana Air Quality Permit History

On November 24, 1995, Conoco submitted an application for the Helena Product Terminal to obtain a Montana Air Quality Permit (MAQP) for the operation of the railcar loading rack and the flare. The Helena Product Terminal tanks and truck loading rack were all installed prior to 1960. Because the tanks were installed prior to 1960, the facility was grandfathered from the Montana Air Quality Permit process. The operational limits placed in MAQP #2907-00 allowed Conoco to stay below the major source threshold pursuant to 40 CFR 63, Subpart R requirements. **MAQP #2907-00** was issued final on January 24, 1996.

On February 14, 2002, **MAQP #2907-01** was issued to Conoco for construction and operation of a new truck loading rack and installation of a flare to control loading emissions. The new loading rack would replace the existing truck loading rack at the Helena Product Terminal. Currently, the Helena Products Terminal is operating under a Title V operating permit because the facility is considered a major source for Volatile Organic Compounds (VOC) emissions. The installation of the flare on the truck loading rack when installed would significantly reduce VOC emissions below the major source threshold. The flare is controlled beyond New Source Performance Standards (NSPS), which is considered to be Best Available Control Technology (BACT) for similar loading racks. The Department has grounds to revoke the Title V permit following appropriate installation of the flare

and at Conoco's request. Following revocation of the Title V permit, ConocoPhillips will be considered a Title V synthetic minor. However, at this time, ConocoPhillips remains a Title V source subject to a Title V operating permit.

The limit on the VOC emissions from the flare is as follows: the total VOC emissions to the atmosphere from the flare due to loading liquid product into tank trucks shall not exceed 10.0 milligrams per liter (mg/L) of gasoline loaded. This limit is more stringent than the 40 CFR 60, Subpart XX VOC emissions limit of 35.0 mg/L of gasoline loaded. The source complies with the Subpart XX 35.0 mg/L limit by maintaining compliance with the 10.0 mg/L limit in MAQP #2907-01.

Because Conoco's flare is defined as an incinerator under Montana Code Annotated (MCA) 75-2-215, a determination that the emissions from the flare would constitute 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 hazardous air pollutants 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. Toluene
5. Xylenes

The reference concentrations for the above pollutants were obtained from EPA's IRIS database, where available. The model performed for the hazardous air pollutants identified above demonstrated compliance with the negligible risk requirement. MAQP #2907-01 replaced MAQP #2907-00.

A letter from ConocoPhillips dated January 3, 2003, and received by the Department on January 10, 2003, notified the Department that Conoco had changed its name to ConocoPhillips. This permit action changed the name on MAQP #2907-01 from Conoco to ConocoPhillips. **MAQP #2907-02** replaced MAQP #2907-01.

A letter from ConocoPhillips dated November 24, 2004, and received by the Department December 1, 2004, notified the Department that ConocoPhillips planned to install a 2,000-gallon vertical tank used to store a lubricity additive. Since the uncontrolled potential to emit (PTE) of the 2,000-gallon vertical tank is less than 15 tons per year of any regulated pollutant the tank was added to the permit under the provisions of Administrative Rules of Montana (ARM) 17.8.745 Montana Air Quality Permits--Exclusion for De Minimis Changes. **MAQP #2907-03** has also been updated to reflect current permit language and rule references used by the Department. MAQP #2907-03 replaced MAQP #2907-02.

On June 28, 2006, the Department received an application from ConocoPhillips to permit the temporary operation of a soil vapor extraction (SVE) system, which has the potential to emit up to 23.7 tons per year (TPY). The application also requested permit corrections to reflect that ConocoPhillips never installed a two-bay truck loading rack and thermal oxidizer permitted in 2002 in MAQP #2907-01, and to revise the gasoline and distillate throughput limits for the truck loading rack and addition of throughput limits for the railcar loading rack, to maintain plant-wide emissions below PSD threshold levels. In addition, the MAQP was revised to clarify some of the conditions

and limitations, such as removing the specified pressure gauge test and the VOC leak detection tests previously included as attachments 1 and 2, and instead referencing 40 CFR Part 60 procedures. **MAQP #2907-04** replaced MAQP #2907-03.

On May 21, 2009, the Department received an Application for a Modification of MAQP #2907-04 from Bison Engineering, Inc. on behalf of ConocoPhillips. An affidavit of Public Notice was received by the Department on June 2, 2009, and additional information received June 9, 2009, completing the application. The application proposed 1.) to modify the existing truck loading rack by removing the north loading bay, and using only the south loading bay with loading being accomplished by using the bottom valve connections of the tanker trucks and 2.) to use an existing VCU for VOC emissions control from both the truck loading rack and the railcar loading rack (collectively called the cargo tank loading racks). The project would result in a net decrease of emissions, significantly reducing VOC emissions with a slight increase in conventional combustion products. The requested operational permit conditions would allow the facility to be designated as a synthetic minor with respect to Title V.

Because the VCU met the definition of an incinerator pursuant to 75-2-103, MCA, the permit analysis included a health risk assessment as required by ARM 17.8.770. Operational and emissions limitations were combined for both the railcar and the tank truck loading operations. Other changes included updates made to reflect the current applicable requirements, permit language, format, and rule references used by the Department. Title V synthetic minor status for this facility was conditional based upon the installation and operation of the equipment as described in the application. **MAQP #2907-05** replaced MAQP #2907-04.

The Department received a letter from ConocoPhillips on September 13, 2010 requesting an administrative change to reduce the total allowable throughput of gasoline for the facility to 91,000,000 gallons per rolling 12-month period. ConocoPhillips requested this throughput limit be split between the railcar loading rack operations and the truck loading rack operations. Because the facility has not made the modifications permitted in **MAQP #2907-05**, and the facility requested to retain the ability to proceed with the project in the future, the Department constructed Operating Scenarios to more clearly identify the applicable requirements associated with this facility.

This permitting action included those conditions of MAQP #2907-04, which are the conditions under which the facility must currently operate, with an administrative change to reduce the allowed gasoline throughput under this scenario. This permitting action also included those conditions which would be applicable should ConocoPhillips proceed with the modifications previously permitted in MAQP #2907-05, in which the facility would control all gasoline cargo tank loading operations through use of gasoline vapor collection and combustion. Under this operating scenario, ConocoPhillips would no longer be subject to Title V permitting. **MAQP #2907-06** replaced MAQP #2907-05.

On December 19, 2011, the Department received a complete application from ConocoPhillips to modify MAQP # 2907-06 by proposing to replace the existing truck loading rack with a new two-bay loading rack with eight arms per bay. They also proposed to use the existing Vapor Combuster Unit (VCU) for volatile organic compound (VOC) control. The request also included increasing the available truck loading throughput and installing a new 252,000 barrel (bbl) ethanol tank. The new truck loading rack would utilize the VCU for VOC control. Additionally ConocoPhillips requested the removal of permit conditions III.A.6 and III.F.5 that restricted the short term throughput of the VCU. **MAQP #2907-07** replaced MAQP #2907-06.

## **Operating Permit History**

On January 13, 1999, the Department issued **Title V Operating Permit #OP2907-00** to the Conoco Helena Product Terminal as final and effective.

On February 21, 2003, the Department received a request from ConocoPhillips for a modification to Operating Permit #OP2907-00. The modification was an administrative amendment, which changed the company name from Conoco to ConocoPhillips. **Operating Permit #OP2907-01** replaced Operating Permit #OP2907-00.

The permit action was a renewal of ConocoPhillips' Title V Operating Permit #OP2907-01 for the Helena Product Terminal. ConocoPhillips' Operating Permit #OP2907-01 was applicable for 5 years and expired on January 12, 2004. ConocoPhillips applied for a renewal of their Title V Operating Permit on July 17, 2003. **Operating Permit #OP2907-02** replaced Operating Permit #OP2907-01.

On March 4, 2004, the Department received a letter from ConocoPhillips to change the responsible official from Tom Wanzeck to Karen L. Kennedy. **Operating Permit #OP2907-03** replaced Operating Permit #OP2907-02

On March 30, 2006, the Department received a letter from ConocoPhillips to change the responsible official from Karen L. Kennedy to John T. Barrett. **Operating Permit #OP2907-04** replaced Operating Permit #OP2907-03.

On June 28, 2006, the Department received an application from ConocoPhillips to permit the temporary operation of a soil vapor extraction (SVE) system, which has the potential to emit up to 23.7 tons per year (TPY). The application also requested permit corrections to reflect that ConocoPhillips never installed a two-bay truck loading rack and thermal oxidizer permitted in 2002 in MAQP #2907-01, and to revise the gasoline and distillate throughput limits for the truck loading rack and addition of throughput limits for the railcar loading rack, to maintain plant-wide emissions below PSD threshold levels. In addition, the MAQP was revised to clarify some of the conditions and limitations, such as removing the specified pressure gauge test and the VOC leak detection tests previously included as Attachments 1 and 2, and instead referencing 40 CFR Part 60 procedures. **Operating Permit #OP2907-05** replaced Operating Permit #OP2907-04.

On July 18, 2008, the Department received a renewal application from ConocoPhillips. ConocoPhillips identified in the renewal application cover letter that the railcar loading rack and associated vapor collection system and Vapor Combustion Unit (VCU) continues to remain out of service. ConocoPhillips also identified that 40 CFR 63, Subpart BBBBBB was applicable to this facility. Additional information was received July 10, 2009 to change the name of the Responsible Official.

This permitting action changed the name of the Responsible Official and included 40 CFR 63, Subpart BBBBBB in Section A of the operating permit. **Operating Permit #OP2907-06** replaced Operating Permit #OP2907-05.

On September 13, 2010, the Department received a letter from ConocoPhillips, requesting a change to reduce the allowable throughput of gasoline for the facility. ConocoPhillips requested a throughput limit of 91,000,000 gallons of gasoline per rolling 12-month period. ConocoPhillips requested this throughput be split between the railcar and tank truck loadout operations. Operating Permit **#OP2907-07** replaced #OP2907-06. Conditions for Operating Scenario II of MAQP #2907-06 were not included in the Title V permit because the facility would no longer be subject to Title V should ConocoPhillips make the modifications required to operate under that scenario. Further information is provided under Section III of the Technical Review Document associated with Operating Permit #OP2907-07.

**D. Current Permit Action**

The Department received a letter from ConocoPhillips on April 2, 2012 to change the name of the company from ConocoPhillips Company to Phillips 66 Company for both the MAQP#2907-07 and OP#2907-07. All new facility references added to the permit and TRD document will use “Phillips 66 Company” or “Phillips”, leaving the old name only in the description of historical permit actions. Additionally, conditions established in MAQP#2907-07 such as those related to the addition of a new ethanol tank were included in the revised OP#2907-07.

**E. Taking and Damaging Analysis**

HB 311, the Montana Private Property Assessment Act, requires analysis of every proposed state agency administrative rule, policy, permit condition or permit denial, pertaining to an environmental matter, to determine whether the state action constitutes a taking or damaging of private real property that requires compensation under the Montana or U.S. Constitution. As part of issuing an operating permit, the Department is required to complete a Taking and Damaging Checklist. As required by 2-10-101 through 2-10-105, MCA, the Department conducted the following private property taking and damaging assessment.

YES	NO	
xx		1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights?
	xx	2. Does the action result in either a permanent or indefinite physical occupation of private property?
	xx	3. Does the action deny a fundamental attribute of ownership? (ex.: right to exclude others, disposal of property)
	xx	4. Does the action deprive the owner of all economically viable uses of the property?
	xx	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?
	xx	6. Does the action have a severe impact on the value of the property? (consider economic impact, investment-backed expectations, character of government action)
	xx	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?
	xx	7a. Is the impact of government action direct, peculiar, and significant?
	xx	7b. Has government action resulted in the property becoming practically inaccessible, waterlogged or flooded?
	xx	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?
	xx	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)

Based on this analysis, the Department determined there are no taking or damaging implications associated with this permit action.

## **F. Compliance Designation**

Review of all the material in the Department's compliance files and information provided from inspections indicates that the facility is in compliance.

## SECTION II. SUMMARY OF EMISSION UNITS

### A. Facility Process Description

The facility receives gasoline, diesel, and jet kerosene from the Yellowstone pipeline. Under a December 19, 2011 modification request to the Department, ethanol is also planned to be handled at the facility. Currently the distillate fuels are distributed by rail and truck while all other fuels are distributed by truck around the area. The Standard Industrial Classification (SIC) for this facility is "Wholesale Distribution" which has an SIC Code of "5171".

### B. Emission Units and Pollution Control Device Identification

Currently, the Helena Product Terminal operates a truck loading rack, a railcar loading rack, and seven tanks. Tanks T-32, T-33, T-35, T-36, and T-37 contain gasoline with internal/external floating roofs. Tanks T-30 and T-31 contain jet kerosene and diesel and are equipped with fixed roofs. The Helena Product Terminal is also equipped with an enclosed flame VCU to control emissions from the railcar loading rack. Fugitive emissions include valves, flanges, pump seals, open-ended lines, etc. and are required to be inspected each calendar month. Under MAQP #2907-07, an eighth tank containing ethanol and assigned a designation of T-20 would be put into operation. At the time of issuance of this permit, MAQP #2907-08 was being processed but not yet posted as a decision with the name change for the company.

### C. Categorically Insignificant Sources/Activities

ARM 17.8.1201(22)(a) defines an insignificant emissions unit as one that emits less than 5 tons per year of any regulated pollutant, has the potential to emit less than 500 pounds per year of lead or any hazardous air pollutant, and is not regulated by an applicable requirement other than a generally applicable requirement.

The miscellaneous emissions from the Phillips Helena Product Terminal include emissions from tank cleaning, additive tanks emissions, and meter proving, etc. These units are insignificant because they emit less than 5 tons per year of any regulated pollutant.

## SECTION III. PERMIT CONDITIONS

### A. Emission Limits and Standards

The Phillips Helena Product Terminal truck loading rack is limited to a maximum of 45,500,000 gallons of gasoline and 105,000,000 gallons of distillate product throughput for the truck load out operation during any 12-month rolling period. The railcar loading rack is limited to a maximum of 45,500,000 gallons of gasoline and 420,000,000 gallons of distillate product during any 12-month rolling period. Loading of trucks and railcars are limited to submerged fill and dedicated normal service loading. These throughput restrictions and loading methods, as well as the VOC limit on the SVE, ensure that the facility has a PTE less than 250 TPY; therefore, this facility is not subject to PSD regulations.

Phillips is required to conduct monthly leak checks for the fugitive emissions. Detection methods incorporating sight, sound, or smell are acceptable for the purposes of these inspections. The railcar loading rack VCU is limited to an opacity of 10% and 0.10 grains per dry standard cubic foot (gr/dscf) of particulate emissions. Also, the oxides of nitrogen (NO<sub>x</sub>), carbon monoxide (CO), and VOC emissions are limited to 4.0 mg/L, 10.0 mg/L, and 10.0 mg/L, respectively.

The emission units at this facility are not subject to the 40 CFR 63, Subpart R MACT requirements because they have accepted an operational limit that keeps them below the threshold value.

40 CFR 63, Subpart BBBBBB is applicable to this facility. The compliance date for these requirements is January 10, 2011, except for storage tanks which are equipped with floating roofs and not already meeting these requirements, for which compliance must be achieved by the first degassing and cleaning activity after January 10, 2011, or by January 10, 2018, whichever is first. The emissions limits, management practices, and standards of this rule vary depending on the compliance methods chosen by Phillips. Therefore, the permit addresses these requirements by reference.

MAQP #2907-07 contains two operating scenarios relevant to cargo tank loading. In the second scenario, Phillips is permitted to modify and operate an enclosed VCU, in conjunction with modification to the tank truck loading rack, resulting in operations that would control all cargo tank loading via a vapor combustion unit. Under this scenario, the facility would no longer be considered a major stationary source. Therefore, the limitations and conditions associated with this operating scenario are not listed in the Title V permit, as operations under this scenario would make the requirements of the ARM 17.8, Subchapter 12, non-applicable.

### B. Monitoring Requirements

ARM 17.8.1212(1) requires that all monitoring and analysis procedures or test methods required under applicable requirements are contained in operating permits. In addition, when the applicable requirement does not require periodic testing or monitoring, periodic monitoring must be prescribed that is sufficient to yield reliable data from the relevant time period that is representative of the source's compliance with the permit.

The requirements for testing, monitoring, recordkeeping, reporting, and compliance certification sufficient to assure compliance do not require the permit to impose the same level of rigor for all emission units. Furthermore, they do not require extensive testing or monitoring to assure compliance with the applicable requirements for emission units that do not have significant potential to violate emission limitations or other requirements under normal operating conditions. When compliance with the underlying applicable requirement for a insignificant emissions unit is not threatened by lack of regular monitoring and when periodic testing or monitoring is not otherwise

required by the applicable requirement, the status quo (**i.e., no monitoring**) will meet the requirements of ARM 17.8.1212(1). Therefore, the permit does not include monitoring for insignificant emission units.

The permit includes periodic monitoring or recordkeeping for each applicable requirement. The information obtained from the monitoring and recordkeeping will be used by the permittee to periodically certify compliance with the emission limits and standards. However, the Department may request additional testing to determine compliance with the emission limits and standards.

Phillips is required to log the throughput of gasoline and distillate products through the truck loadout operations and submit a semi-annual report verifying compliance with the production limits. The report of throughput will be used to assure compliance with the limitation in this permit. Annually, Phillips must calculate potential VOC emissions based on the throughput of these products as well as the calculated VOC loss from the SVE system to monitor compliance with the requirement to remain below the PSD threshold.

Tanks T-20, T-32, T-33, T-35, T-36, and T-37 must operate a vapor loss control device and shall be annually inspected to verify the operation's compliance with the ARM 17.8.324 conditions. Phillips is required to log the loading operation of the railcar loading rack for leaks and log the receipt of the vapor tightness documentation. The recordkeeping requirements that must be kept during leak inspections on the fugitive source should demonstrate compliance with the ARM 17.8.749 conditions.

Once the railcar loading system is re-activated, Phillips is required to test the VCU every 5 years to demonstrate compliance with the VOC limitation of 10.0 mg/L. Phillips must also operate a thermocouple and associated recorder on the VCU, or other equivalent device, during operation of this unit, in accordance with their CAM Plan.

### **C. Test Methods and Procedures**

The operating permit may not require testing for all sources if routine monitoring is used to determine compliance, but the Department has the authority to require testing if deemed necessary to determine compliance with an emission limit or standard. In addition, the permittee may elect to voluntarily conduct compliance testing to confirm its compliance status.

Phillips is required to test the VCU to determine compliance with the VOC limitation of 10.0 mg/L. Phillips is also required to test the VCU, as required by the Department and Section III.A of the Operating Permit, to demonstrate compliance with the opacity limitations as well as the CO and NO<sub>x</sub> limitations.

### **D. Recordkeeping Requirements**

The permittee is required to keep all records listed in the operating permit as a permanent business record for at least 5 years following the date of the generation of the record.

### **E. Reporting Requirements**

Reporting requirements are included in the permit for each emissions unit and Section V of the operating permit "General Conditions" explains the reporting requirements. However, the permittee is required to submit semi-annual and annual monitoring reports to the Department and to annually certify compliance with the applicable requirements contained in the permit. The reports must include a list of all emission limit and monitoring deviations, the reason for any deviation, and the corrective action taken as a result of any deviation.

## SECTION IV. NON-APPLICABLE REQUIREMENT ANALYSIS

Section IV of the operating permit "Non-applicable Requirements" contains the requirements that the Department determined were non-applicable. The following table summarizes the requirements that Phillips previously identified as non-applicable and contains the reasons that the Department did not include these requirements as non-applicable in the permit.

Requirement not identified in the Operating Permit

Applicable Requirement	Reason
ARM 17.8.601 ARM 17.8.602 ARM 17.8.1201(10)(a) ARM 17.8.1201(10)(b) ARM 17.8.1201(10)(f) ARM 17.8.1201(10)(i) ARM 17.8.1201(10)(k)	This is a statement of purpose, applicability statement, regulatory definitions, or a statement of incorporation by reference. These types of rules do not have specific requirements associated with them.
ARM 17.8.604 ARM 17.8.605 ARM 17.8.606 ARM 17.8.611 ARM 17.8.612 ARM 17.8.613	These are procedural rules that have specific requirements that may become relevant to a major source during the permit term.

## SECTION V. FUTURE PERMIT CONSIDERATIONS

### A. MACT Standards and NESHAP Standards

The requirements of 40 CFR 63, Subpart BBBBBB will apply to this facility. The compliance date for most of the requirements is January 10, 2011, except for storage tanks which are equipped with floating roofs and not already meeting these requirements, for which compliance must be achieved by the first degassing and cleaning activity after January 10, 2011, or by January 10, 2018, whichever is first. These rules apply to gasoline related equipment only.

It would be expected that should Phillips decide to install controls, the facility would become a synthetic minor under the Title V rules. Although the facility would be expected to become a synthetic minor, the requirements of 40 CFR 63, Subpart BBBBBB would still apply. Phillips is also subject to the notification requirements of this rule.

### B. NSPS Standards

As of the date of the Decision for Operating Permit #OP2907-08, the Department is not aware of any future NSPS Standards that automatically will apply. However, once the truck loading rack is updated under **MAQP #2907-07**, Subpart XX will apply and the truck loading facility must be operated with vapor control. At that time, a request for revocation of the #OP2907-08 is expected but Subpart XX will continue to apply.

### C. Risk Management Plan

If a facility has more than a threshold quantity of a regulated substance in a process, the facility must comply with 40 CFR 68 requirements no later than June 21, 1999; 3 years after the date on which a regulated substance is first listed under 40 CFR 68.130; or the date on which a regulated substance is first present in more than a threshold quantity in a process, whichever is later.

### D. CAM Applicability

Compliance Assurance Monitoring was previously determined applicable for the Railcar Loading Rack. The unit had a pre-control potential to emit over 100 TPY of VOC. The facility was previously required to meet a VOC BACT limit of 10 mg/L. A vapor combustion unit is used for the VOC control. Phillips proposed to use a flame detector with automatic shutoff as the on-going method of assuring compliance with the requirement to operate the VCU in order to maintain compliance with the 10 mg/L limit, as described in their CAM Plan.

In accordance with the Administrative Rules of Montana (ARM) Title 17, Chapter 8, Subchapter 15, a CAM Plan applies to each pollutant-specific emitting unit at a major stationary source (Title V) if the affected unit is subject to a pollutant specific emission limitation or standard; the unit uses a control device to achieve compliance with the applicable limitation or standard; and the unit has a pre-control PTE of the regulated pollutant in an amount that exceeds 100% of the Title V major source threshold. However, CAM requirements exclude any emission limitations that come from MACT or NSPS standards proposed after November 15, 1990. Therefore, should Phillips modify the current VCU and vapor collection system to meet the requirements of 40 CFR 63 Subpart BBBBBB, the facility will no longer be subject to CAM.

Phillips has submitted to the Department a letter notifying that they have elected to comply with the alternate monitoring path under 40 CFR 63.11092(b)(1)(iii)(B). A Monitoring and Inspection plan was submitted to the Department for review and approval per 40 CFR 63.11092(b)(1)(iii)(B)(2). As of the date of decision of this permit, the Department has not provided a decision to this submittal. Phillips has not submitted notification that the VCU will be used.

## **E. Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule**

On May 7, 2010, EPA published the “light duty vehicle rule” (Docket # EPA-HQ-OAR- 2009-0472, 75 FR 25324) controlling greenhouse gas (GHG) emissions from mobile sources, whereby GHG became a pollutant subject to regulation under the Federal and Montana Clean Air Act(s). On June 3, 2010, EPA promulgated the GHG “Tailoring Rule” (Docket # EPA-HQ-OAR-2009-0517, 75 FR 31514) which modified 40 CFR Parts 51, 52, 70, and 71 to specify which facilities are subject to GHG permitting requirements and when such facilities become subject to regulation for GHG under the PSD and Title V programs.

Under the Tailoring Rule, any PSD action (either a new major stationary source or a major modification at a major stationary source) taken for a pollutant or pollutants other than GHG that was not final prior to January 2, 2011, would be subject to PSD permitting requirements for GHG if the GHG increases associated with that action were at or above 75,000 TPY of carbon dioxide equivalent (CO<sub>2e</sub>) emissions. Similarly, if such action were taken, any resulting requirements would be subject to inclusion in the Title V Operating Permit. Starting on July 1, 2011, PSD permitting requirements would be triggered for modifications that were determined to be major under PSD based on GHG emissions alone, even if no other pollutant triggered a major modification. In addition, sources that exceed the 100,000 TPY CO<sub>2e</sub> threshold under Title V would be required to obtain a Title V Operating Permit if they were not already subject.