

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Office of Air Quality Planning and Standards
Research Triangle Park, North Carolina 27711

DATE: AUG 22 1980

SUBJECT: The Use of Permit Conditions to Define Potential to Emit

FROM: Richard G. Rhoads, Director
Control Programs Development Division (MD-15)

TO: Thomas W. Devine, Director
Air and Hazardous Materials Division, Region IV

This is in response to your memorandum of July 15, 1980 requesting guidance on using permit conditions to define a source's "potential to emit." Specifically, you cited a gasoline bulk terminal that had requested a change in their State operating permit that would limit gasoline throughput such that the terminal's VOC emissions would remain under 100 tons per year (TPY). The purpose of this request by the bulk terminal was to obviate the need for RACT controls at their facility.

Prior CPDD guidance has provided that urban and rural nonattainment areas not needing an extension until 1987 (by virtue of a demonstration of attainment by 1982) may have a source cutoff size of 100 tons per year. The use of permit modification to comply with the 100 TPY cutoff was not addressed.

The recently published PSD regulations (FR 52676, dated August 7, 1980) include as part of the definition of "potential to emit": "any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restriction on hours of operation or on the type or amount of material combusted, stored, or processed may be treated as part of its design only if the limitation or the effect it would have on emissions is Federally enforceable."

Source permits with conditions which are duly adopted by the State and submitted and then approved by EPA as part of the SIP are Federally enforceable. Therefore, it would appear that a restriction or condition on a State operating permit that would limit gasoline throughput such that the terminal is a 100 TPY source, the gasoline throughput of the terminal as well as the emissions from gasoline storage tanks at the facility must be added together. (See attached memorandum dated August 8, 1980 from G.T. Helms, Chief, CPOB, to John Hanisch, Mobile Source Emissions Section,

Region I.) Care should be taken in determining the extent of several of storage facilities as there may be many tanks under one person's control at a large pipeline tank farm.

Determination of a daily emissions limit of corresponding gasoline throughput, commensurate with the <100 TPY level must be made for the inclusion in the permit. Thus, the source will be restricted from emitting at a 100+ TPY rate during the ozone season (summer) while complying with the annual restriction of <100 TPY. In addition, as a permit condition, provision must be made for record keeping and periodically reporting gasoline throughput. Long-term averages of gasoline throughput would not be acceptable.

Also, in that the original emission limit for this source is incorporated in the approved SIP for Mecklenburg County, the State must submit a revised attainment demonstration ensuring that RFP is maintained and that attainment by December 31, 1982 is achieved. This would be especially important if numerous sources were requesting changes in their operating permits.

In summary, in determining 100 more per year sources, operating restrictions on permits may be used under certain conditions to define potential to emit. Permits must specify proper record keeping, reporting requirements, and any other conditions deemed necessary to ensure compliance with the operating restrictions.

Please contact Tom Helms (FTS 629-5226) or Bill Polglase (FTS 629-6251) should you have any questions.

Attachment

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DATE: AUG 8 1980

SUBJECT: Request for Confirmation of the Definition of a 100-Ton Source as Applied to Controls in the Gasoline Storage and Marketing Chain.

FROM: G. T. Helms, Chief Control Programs Operations Branch (MD-15)

TO: John L. Hanisch Mobile Source Emissions Section, Region I

This is in response to your memorandum of May 22, 1980 requesting confirmation of the definition of a 100-ton source as applied to controls in the gasoline storage and marketing chain.

As stated in previous determinations of 100 tons/year sources (see memorandum dated September 7, 1978 from Richard G. Rhoads to Director, Air and Hazardous Materials Division, Regions I-X), the potential emissions from all similar or connected CTG category sources on a facility-wide basis should be added together to determine if CTG control is required. In the case of bulk gasoline terminals, this would be based on potential emissions from tank trucks (using the appropriate emission factor for splash or submerged fill and the loading rack throughput) as well as potential emissions from storage tanks if they are located on contiguous or adjacent properties which are owned or operated by the same person (or by persons under common control).

In accordance with the above, the responses to your questions are: (1) tank truck potential emissions during loading operations should be calculated as part of the potential emissions at gasoline loading terminals; (2) compliance with the storage tank CTGs (fixed-roof tanks and floating-roof tanks) are required at any terminal which has been determined to be a 100-ton/year source and the potential emissions from these tanks should have been considered when this determination was made if the tanks are located on contiguous or adjacent properties which are owned or operated by the same person (or persons under common control); and (3) a tank truck certification program is a requirement only for those urban areas requesting an extension beyond 1982 to attain the ozone standard; however, the bulk terminal CTG requires loading into "essentially leakless" tank trucks and the States must include a test method in their regulations for certifying that tank trucks are essentially leakless irregardless of an extension beyond 1982.

As indicated above, Item 3 is in agreement with your understanding, but only "essentially leakless" trucks may be loaded at bulk gasoline

terminals if the bulk terminals are greater than 100 tons/year sources. (See memorandum June 16, 1980 from Richard G. Rhoads, Director, CPDD to Jack Divita, Chief, Air Programs Branch, Region VI.)

It is hoped that this will clarify the requirements necessary for the determination if a bulk gasoline terminal is a 100-ton/year source. Please contact Bill Polglase (FTS 629-5251) or Tom Williams (FTS 629-5226) should you have any questions.

cc: Chief, Air Branch, Regions I-X
Pete Hagerty, Region I
Paul Truchan, Region II
Neil Swanson, Region III
Doug Cook, Region IV
Dick Dalton, Region V
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