The United States Environmental Protection Agency (EPA) is providing notice of its decision to rescind the Prevention of Significant Deterioration (PSD) permit for Greenhouse Gases (GHG) issued to INEOS Olefins & Polymers USA (INEOS), for its Chocolate Bayou Plant on October 15, 2012. EPA Region 6 issued the GHG PSD permit based on the applicability provisions described, at the time of permit issuance, at 40 CFR § 52.21(b)(49)(v)(b). In Utility Air Regulatory Group (UARG) v. Environmental Protection Agency, 134 S. Ct. 2427 (2014), the Supreme Court held that EPA may not treat GHGs alone as an air pollutant for purposes of determining whether a source is a major source required to obtain a PSD or title V permit and thus invalidated regulations implementing that approach. On July 6, 2015, EPA finalized a rule to implement the Supreme Court’s decision that allows EPA issue permit rescissions of GHG PSD permits issued to those sources who were treated as major sources simply due to their GHG emissions. EPA is issuing notice of the GHG PSD permit rescission in accordance with the permit rescission regulations at 40 CFR § 52.21(w)(2).

INEOS has demonstrated that, at the time of permit issuance, the modification at the existing major source did not result in an increase in emissions of any regulated New Source Review (NSR) pollutant other than GHGs in an amount equal to or greater than the applicable significance level for that pollutant. The modification authorized the installation of an additional cracking furnace, decoking drum, and associated support equipment. The permitted construction was planned to occur at an existing site location, which is located at FM 2004, Alvin, TX 77511. INEOS received a minor source NSR permit for its proposed non-GHG emissions increases for the modification from the Texas Commission on Environmental Quality (TCEQ) on September 26, 2012. See permit number 97769; project number 168467, RN100238708 and CN602817884. The non-GHG emissions associated with the TCEQ permit 97769 are as follows: VOC = 15.53 TPY, NOx = 21.68 TPY, CO = 97.88 TPY, SO2 = 1.69 TPY, PM = 12.48, PM10 = 9.85 TPY, PM2.5 = 5.61 TPY. INEOS has also asserted to EPA that the EPA-issued GHG PSD permit is not used, or planned to be used, for any other regulatory or compliance purpose. Based on EPA’s review of the information provided to EPA, INEOS has provided sufficient information to support the required rescission elements outlined in 40 CFR § 52.21(w)(2).

Rescission Documents: All documents associated with the rescission of this GHG PSD permit including INEOS’s rescission request and technical supporting information are part of the administrative record. The public can access key portions of the administrative record at EPA’s website: http://yosemite.epa.gov/r6/Apermit.nsf/AirP.

Hard copies of the full administrative record for this action may also be viewed in person (please call at least 24-hours in advance for available viewing times) at the EPA Region 6 address below.
Final Determination: Based on the information provided to EPA Region 6, INEOS has provided sufficient information to support the required rescission elements outlined in 40 CFR § 52.21(w)(2). With the publication of this notice, this GHG PSD permit rescission for PSD-TX-97769-GHG becomes effective 60 days after publication.