



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS TX 75202-2733

MAY 04 2016

The Honorable Nicholas Garcia, Governor
Pueblo of Cochiti
P.O. Box 70
Cochiti, NM 87072

Re: Response to Comments on the NuStar Logistics Permit R6NSR-NM-002

Dear Governor Garcia:

We are notifying you of our issuance of the final synthetic minor new source review (NSR) permit for NuStar Logistics. We received initial comments on February 18, 2016, via email from Mr. Gene Kahee, (Environmental Technician, Department of Natural Resources) and subsequently received additional follow-up comments on March 11, 2016 concerning the draft synthetic minor new source review (NSR) permit for the NuStar Logistics facility located on the Pueblo of Santo Domingo. Our response to those comments are in the attached enclosure. In addition, we previously transmitted and discussed the information and data in the enclosure with Mr. Kahee.

The EPA appreciates the interest the Pueblo of Cochiti has taken in protecting the air quality in and near your Pueblo. After review of the comments received during the public comment period, we are not proposing any changes in the final permit.

The regulation 40 CFR § 49.159(d) states "Within 30 days of EPA issuing a final permit decision, any person who filed comments on the draft permit or participated in the public hearing may petition the EAB to review any condition of the permit decision. Any person who failed to file comments or failed to participate in the public hearing on the draft permit may petition for administrative review only to the extent that the changes from the draft permit to the final permit or other new grounds were not reasonably ascertainable during the public comment period on the draft permit. The 30-day period within which a person may request review under this section begins with the service of notice of the final permit decision, unless a later date is specified in that notice." This letter along with a copy of the final permit serves as notice of our final permit decision for NuStar Logistics LP.



Please contact me if you have any questions or require any further clarification on the information in the attached enclosure or on the disposition of this EPA permit, or feel free to have your staff contact Jeff Robinson, Air Permits Section Chief, at 214-665-6435. Thank you for your concerns regarding the air quality for the Cochiti Pueblo.

Sincerely

A handwritten signature in black ink, appearing to read "Mark Hansen".

Mark Hansen
Associate Director for
Air, Multimedia Division

Enclosures

cc: Peter Herrera, Lt. Governor
Pueblo of Cochiti

Jacob Pecos, Environmental Director
Department of Natural Resources

Mr. Gene Kape, Environmental Technician
Department of Natural Resources

EPA Response to Comments for NuStar Logistics LP. (Permit R6NSR-NM-002)

EPA proposed the draft permit on February 11, 2016 for a 30 day comment period. Only one commenter sent an email within the 30 days public comment period. Our response to the comments is below.

Background on NuStar Permit and Emissions

The only pollutant of interest for this EPA permitting action are the volatile organic compounds (VOC) emissions from the crude transloading operations. The asphalt plant has small emission sources and has operated for several years and is a true minor source. The VOC emissions from the asphalt plant are less than 1.5 tpy. The facility has met the registration requirements of 40 CFR § 49.160. This permit that will be issued is a minor NSR permit for current operations and the emissions do not violate the ozone National Ambient Air Quality Standards (NAAQS). The permit is being issued per the requirements of 40 CFR§ 49.158.

Ground level ozone is created by a chemical reaction of NO_x and VOC in the presence of sunlight. EPA has reduced the primary ozone NAAQS standard in 2015 to 70 ppb (0.70 ppm) as protective of human health and the environment. All the NMED monitors have met the NAAQS standard. The Santa Fe and Bernalillo ozone monitors have indicated decreases over the years and are below the 70 ppb NAAQS standard for ozone.

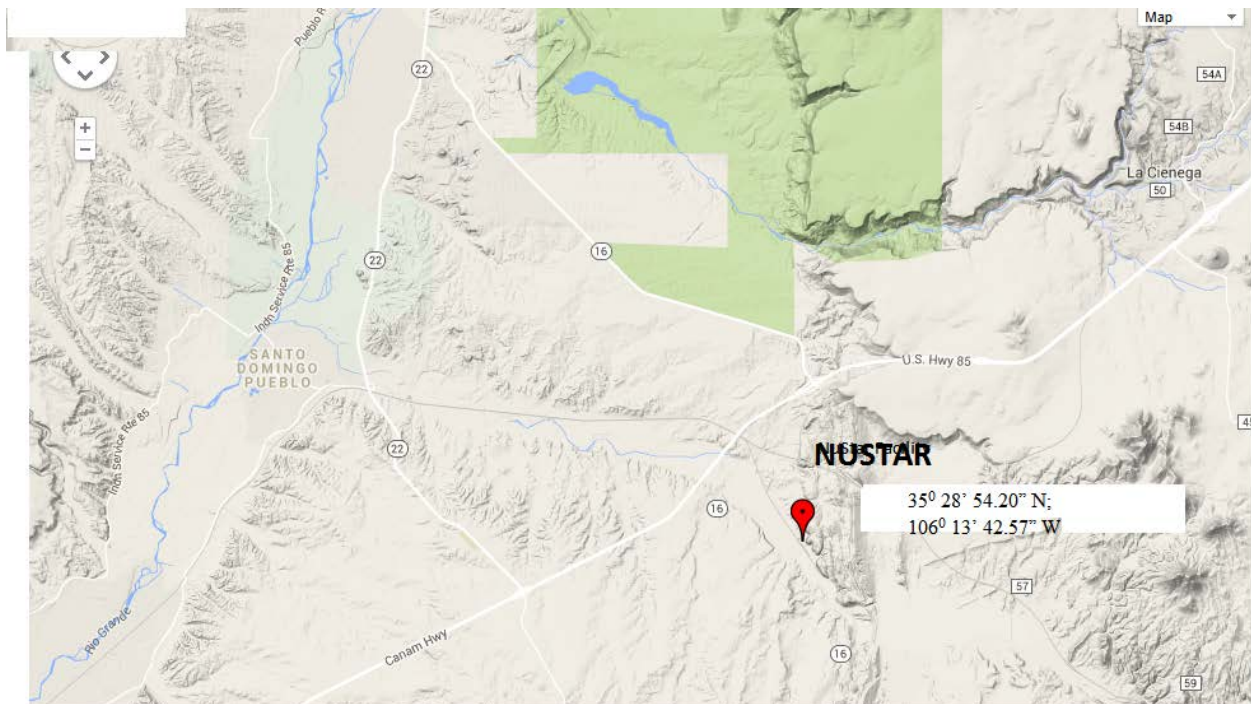
Comment: How are the current VOCs and vapors being monitored and measured? Are there any detection devices used?

Response: The draft permit has typical monitoring that is used for a vapor balance system for a small minor source. This is a recommended control for reducing volatile organic compounds (VOC) vapors from loading and unloading operations of petroleum liquids. [Please refer to the technical support document (TSD) page 3, as well as the reference document “Compilation of Air Pollutant Emission Factors” (AP – 42) Fifth Edition, January 1995, Volume 1 (Stationary Point and Area Sources), Section 5.2.2.1.1 (Loading Losses)]. The permit specifies vapor balance and submerged loading must be used during all transloading operations and has specified operation practices before and during the loading to ensure there are no leaks in the vapor balance hoses or connectors (integrity of control systems). See page 5 of Section V (2-4) and Section VI on page 7 of the final permit for the monitoring requirements concerning the crude transloading operation. Vapor balancing has been used primarily in volatile petroleum products such as gasoline and kerosene and rarely for crude oil that has a low vapor pressure (3.2 psia). The only VOC detection systems available in industry currently are portable fugitive emission instruments or an infra-red camera to detect VOC emissions for large releases. The fugitive emission monitors only detect fugitive emissions for a short span of minutes and therefore cannot be used to detect VOC emissions during a loading operation that takes place for several hours.

The purpose of this permit is to establish operating parameters for this facility under applicable federal regulations pursuant to 40 CFR § 49.151-49.161. There will be no new operations, construction activities or ground disturbances as a result of the issuance of this synthetic minor NSR permit. Therefore only specified integrity monitoring of the equipment prior to the startup of the loading operations are being required.

Comment : Provide a mapped area of proposed Asphalt plant and terminal.

Response: The asphalt plant was constructed and has operated since 2002. The location of the NuStar facility is stated in the TSD (page 5 and the process drawing of the facilities is on page 7).



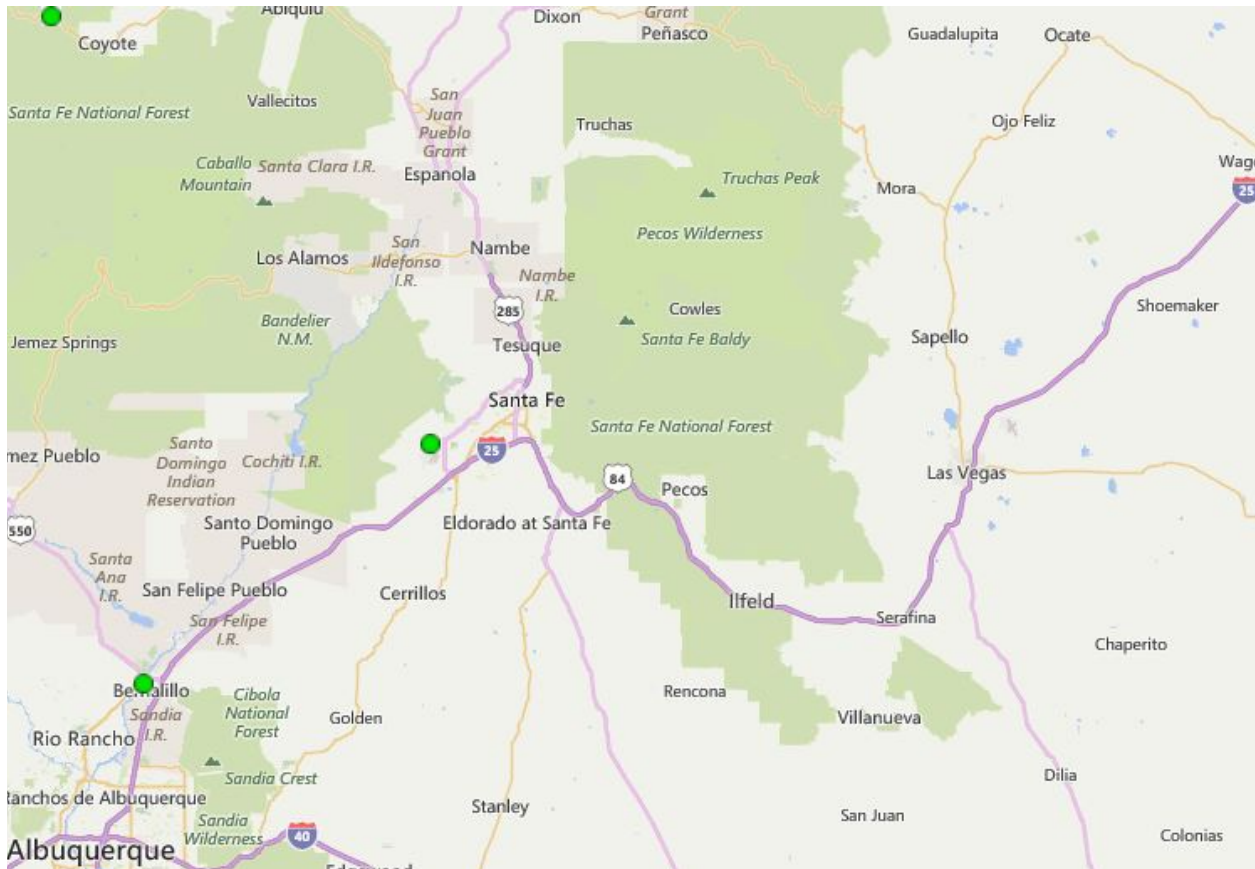
Comment: Maps of wind direction at different seasons throughout the year.

The wind direction varies at different times of the year and can be obtained from the New Mexico website at: <http://drdasnm1.alink.com/> Please refer to the website maps for the particular monitor, month and area of interest. We also have attached the NMED guidance on obtaining data from the air monitoring web site.

EPA obtained the wind rose data from the NMED air quality monitoring sites that are closest to the Cochiti Pueblo and the NuStar facility on Pueblo of Santo Domingo tribal land. The two closest monitoring stations are the Santa Fe Airport monitor and the Bernalillo County monitor. Please see the attached drawing below regarding the location of the monitors. The Coyote Ranger District monitoring station is about 109 miles northwest of both NuStar and the Cochiti

Pueblo. The Coyote Ranger District 2015 wind data indicates the wind is primarily in the west to east direction that is not expected to affect the Cochiti Pueblo with pollutants from NuStar.

The Santa Fe Airport monitor is east of the Cochiti Pueblo and slightly northeast of the NuStar facility, while the Bernalillo monitor is southwest of the Cochiti Pueblo and the NuStar facility.



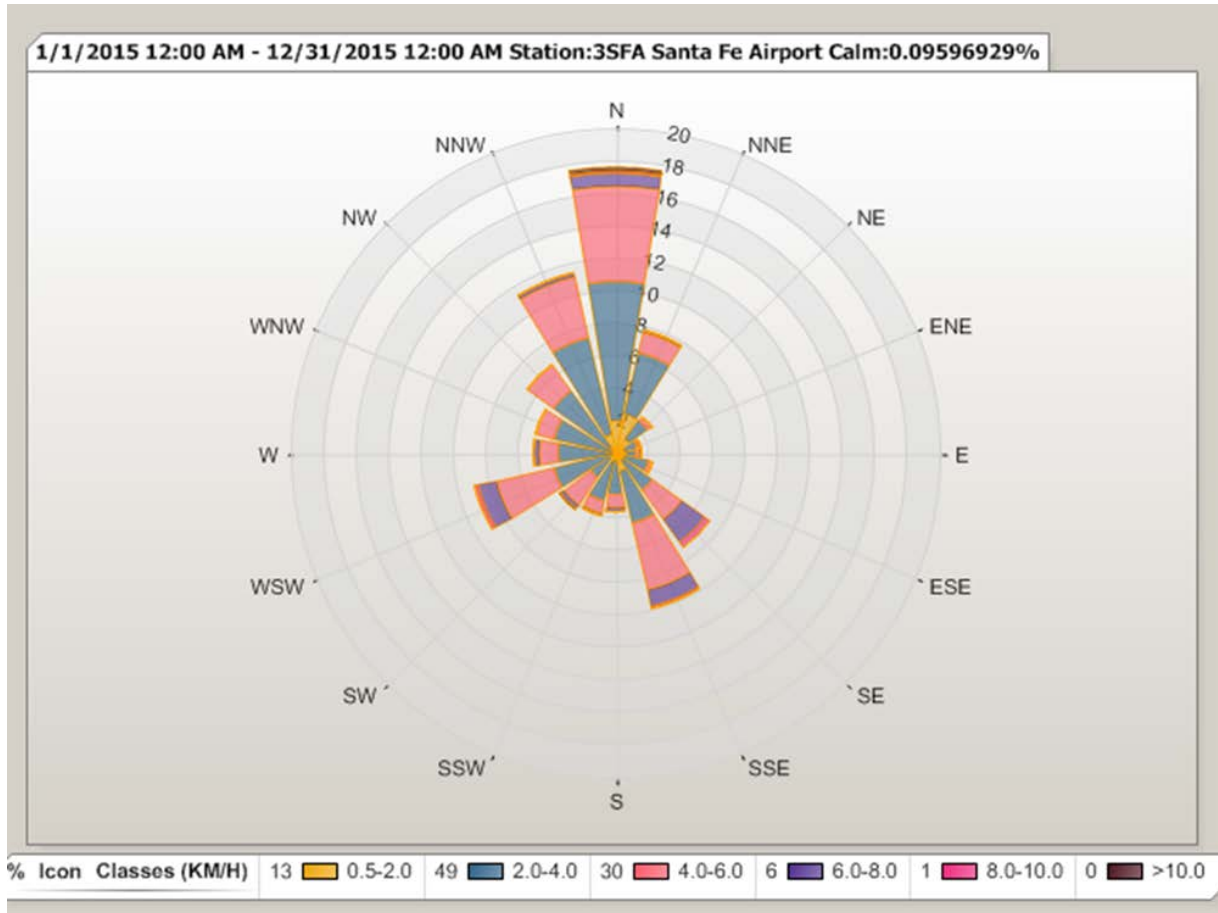
Data was obtained for the 8 hour averages for each monitor for 2014 and 2015 for the wind rose maps shown below. It should be noted that the NuStar crude transloading facility that is the subject of the proposed EPA permit started operation in August 2014. The ozone levels have shown a decrease for the above years.

Observations from the wind rose data maps shown below:

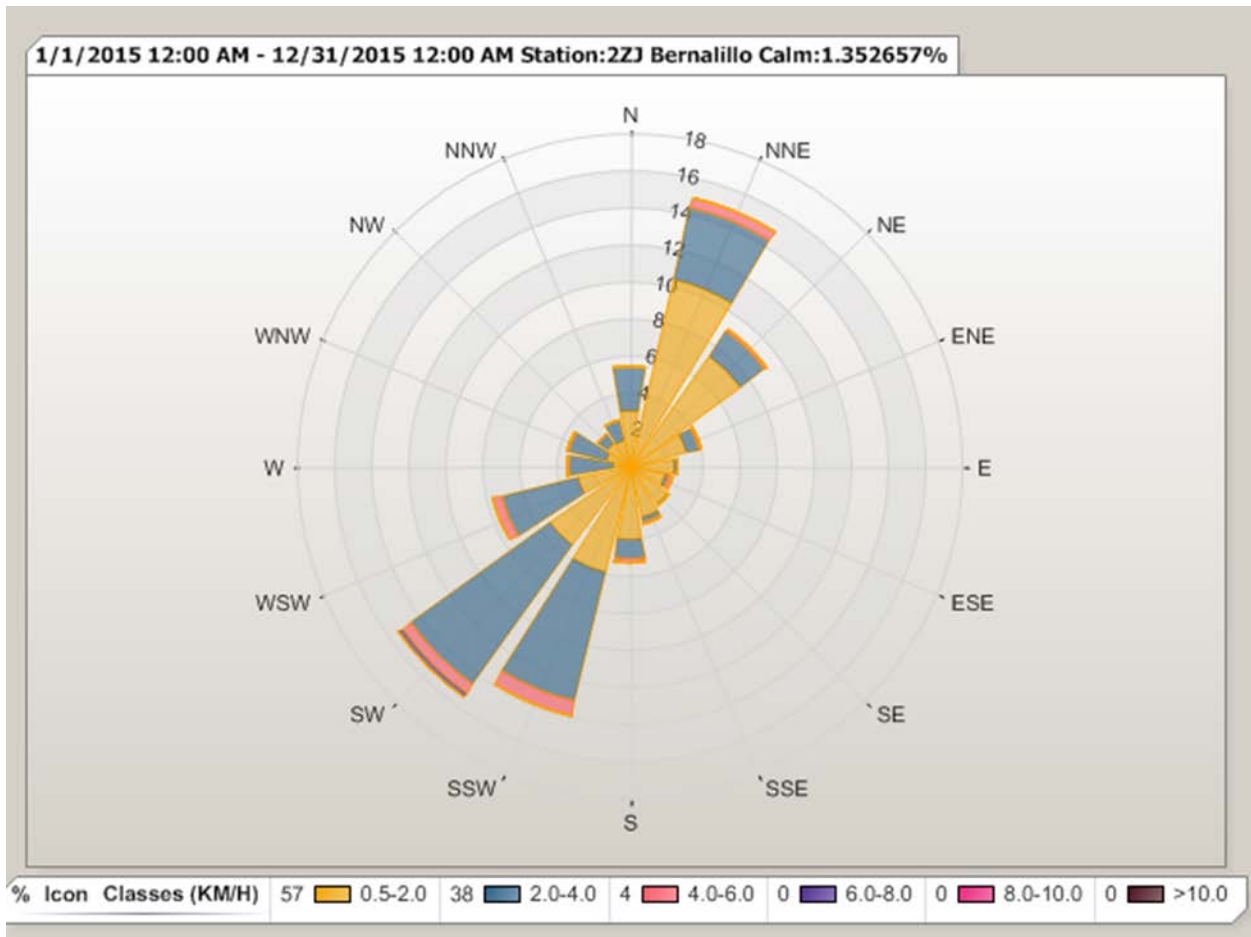
1. There is very little change observed in the dominant direction from the wind rose maps of 2014 and 2015. For the Santa Fe monitor the wind is primarily from the north to the south with high wind speeds of about 18 KM/H. The Bernalillo monitor indicates that the wind direction is split during the year from the southwest to the northeast and from the northeast to the southwest and south-southwest, with high wind speeds of 15 KM/H.

2. The southwest and southeast winds from the Bernalillo county station may indicate some pollutant transport from the NuStar facility over the Cochiti Pueblo tribal land, since the NuStar and the Cochiti Pueblo are northeast from the station. It should be noted that the ozone level data from the Bernalillo county station is below 50 ppb as indicated in the combined wind direction and ozone levels diagram between July and August 2015. This is approximately 71% of the EPA NAAQS 8 hour standard and was considered during the typical hot months in New Mexico. The 8 hour ozone standard is 70 ppb that is protective of human health and the environment. <https://www.epa.gov/ozone-pollution/setting-and-reviewing-standards-control-ozone-pollution>
3. Also in the summer months, which is considered the ozone season when levels are the highest, the Bernalillo county station indicates winds are primarily from the south-southwest to the north-northeast and also from the northeast to the southwest direction.
4. The wind histogram report below for the Bernalillo station indicates predominant winds from the south and southwest to north-northeast, with about 23% from the northeast.
5. Other data and graphs can be obtained from the NMED air monitoring website using the XY graph option.

2015 Wind map at Santa Fe Airport Station

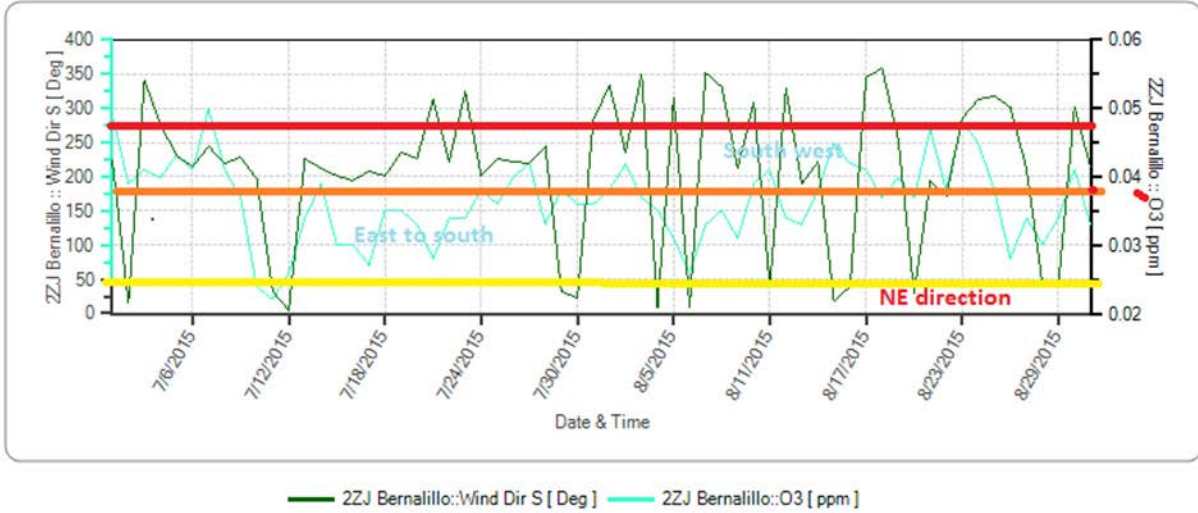


2015 Wind Map at Bernalillo County station

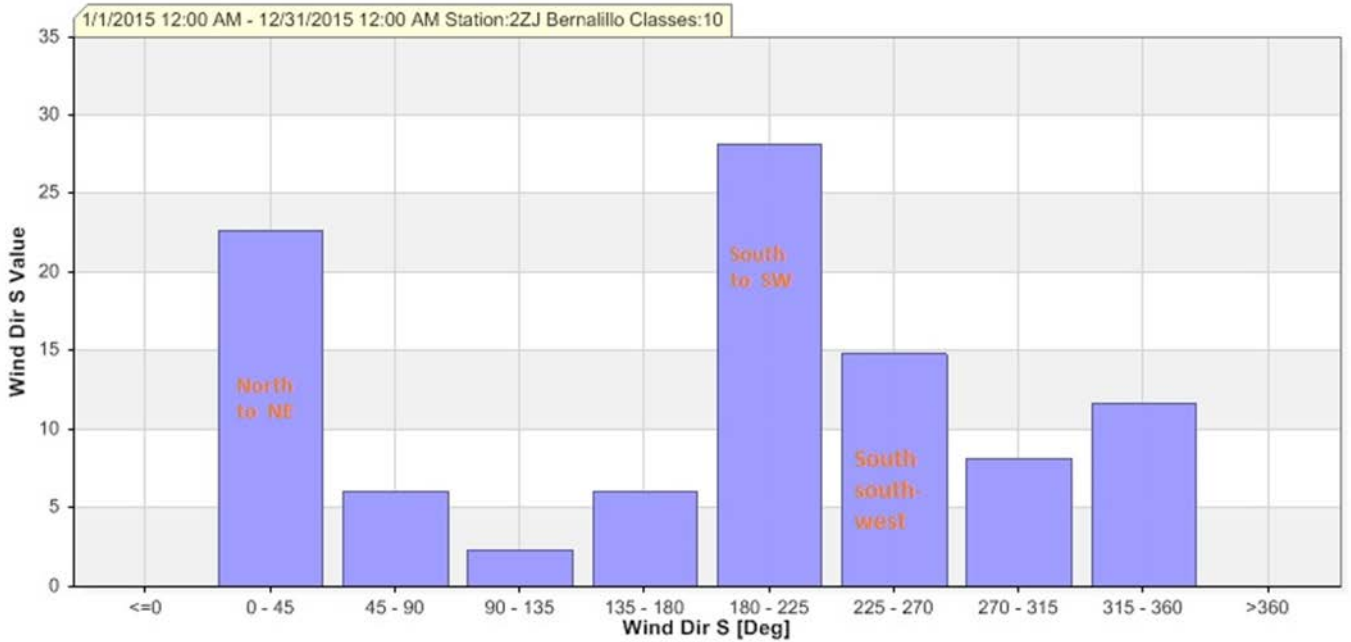


Ozone and Wind Direction Bernalillo County Station

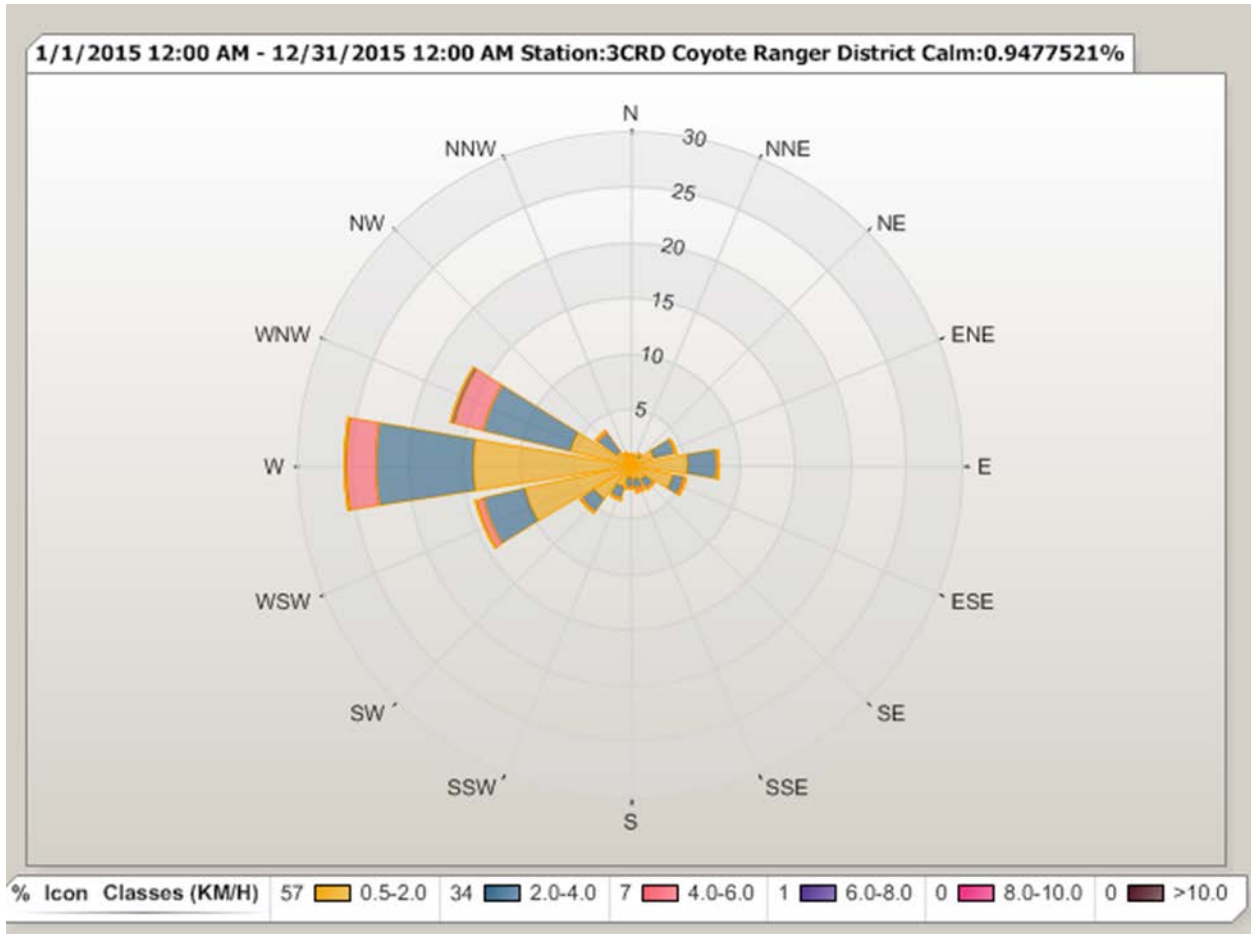
Stations: 2ZJ Bernalillo-Wind Dir S -- 2ZJ Bernalillo-O3 Start Date: 7/1/2015 12:00:00 AM End Date: 8/31/2015 12:00:00 AM



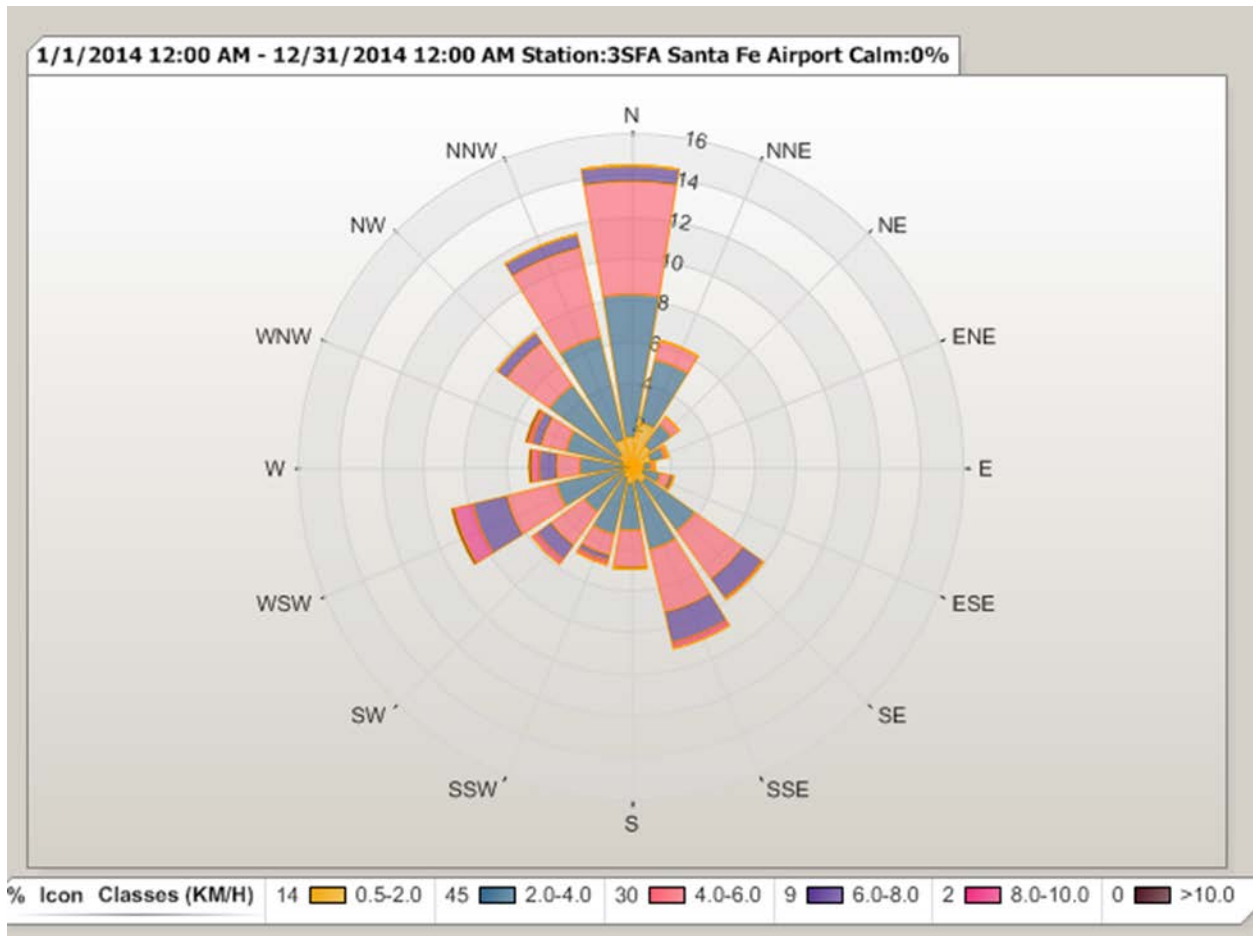
Wind Direction Histogram Bernalillo County Station



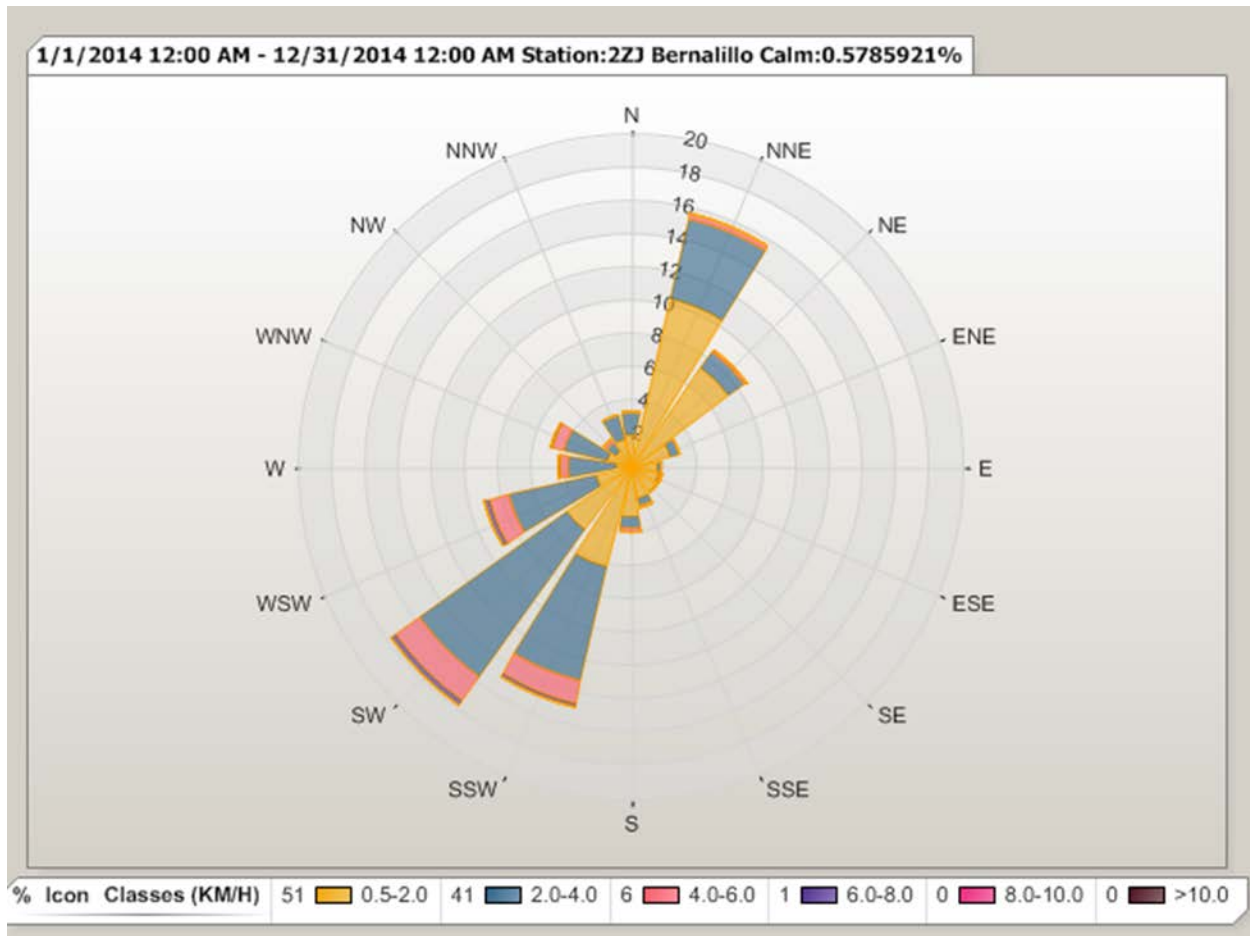
2015 Coyote Ranger District



2014 Wind Map at Santa Fe Airport Station



2014 Wind Map for Bernalillo County Station



Comment: Provide side by side comparison graphs of EPA's established standards and the projected emissions.

Response: The TSD on pages 2-4 provides the EPA regulatory applicability of the NuStar facility. The permit conditions (Table 2 on page 6) have emission limitations for the facility. As indicated in the TSD, the permit is for an existing operation and does **not authorize new construction at the facility, or any new operations or new emissions**. The only regulatory requirement (40 CFR § 49.158), applicable to this facility is for the facility to obtain a federally enforceable minor source permit for its crude transloading operation. The limitations included in the permit currently limit the facility's emissions below the emission thresholds for a major Part 71 (100 tpy) air emission source. It should be noted that this EPA action may provide a reduction of emissions and a better predictability of emission releases from this facility which may improve the air quality in this area.

Other comments/concerns:

Comment: Provide location of plant (near residential, business, and schools).

Please see the response above on the coordinates of the facility on the Santo Domingo Pueblo land.

Comment: Traffic to and from the site. During construction of site and business after the project is complete. Vibrations from heavy equipment causing damage to foundations of buildings and infrastructure.

EPA also has noted your concern regarding the emissions from this facility on the Cochiti Elementary School at 8.4 miles, and the Cochiti Pueblo 10.6 miles in the Northwesterly direction of this facility.

EPA would like to re-emphasize that EPA's permit does not authorize new construction or new emission sources, nor does it authorize a new operation. Instead, this permit simply implements federal minor new source review permitting requirements in order for the facility to fulfill its compliance obligation of EPA's minor new source permitting regulations for facilities on tribal lands. Because the facility previously existed and operated prior to EPA undertaking this permitting action we do not expect that there will be a change in air quality impact through EPA's permitting of the facility.

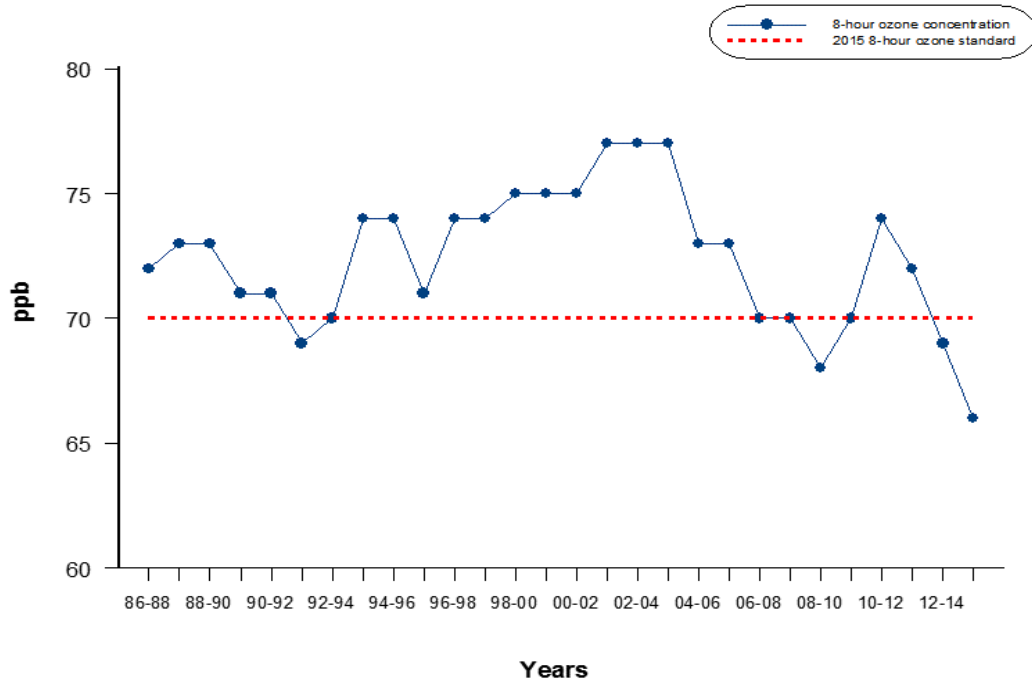
Comment: Will winds be traveling in a Northeasterly direction causing Cochiti Pueblo to place more concern into an Air Quality Program?

In the TSD, EPA provided an air quality impact discussion of the emissions in the area (page 10 Section X). Since VOC emissions are precursors to the formation of ozone, we reviewed the ambient ozone air monitoring data in the Bernalillo County area where there are five ozone monitors in operation. This data in Figure 1 indicates that ozone levels are decreasing. We also have the ozone data from the two monitors located north and northwest of the Nustar facility, the Santa Fe Airport monitor and the Coyote Ranger Station monitors. The monitored concentrations do not exceed the current ozone standard and have actually shown a steady decrease recently. Because Nustar is an existing facility, the impacts from the VOC emissions from its operation are reflective of its minimal impact in the current ambient air quality conditions.

Ambient air quality monitoring data for ozone is readily available to the public via the state's air quality monitoring website: <http://drdasnm1.alink.com/>. Please note that the data on the NMED website is raw data and only the quality assured data is provided below by EPA.

Figure 1

8-hour Ozone Trends Albuquerque MSA, New Mexico



2015 8-hour standard = 70 ppb

8-hour ozone concentration = 3 year average of the annual 4th highest values, calculated site by site

8-hour ozone concentrations presented above are taken from the highest concentration site in the monitoring network for each 3 year period

Figure 2

Ozone Monitors near the Nustar Facility



Santa Fe Monitor		
Years	PPB	EPA Std
2007-2009	62	70
2008-2010	63	70
2009-2011	62	70
2010-2012	65	70
2011-2013	66	70
2012-2014	66	70
2013-2015	64	70

North of Nustar	
Axis: PPB Title	
72	70
70	70
68	70
66	70
64	70
62	70
60	70
58	70
56	70
	2007-2009
	2008-2010
	2009-2011
	2010-2012
	2011-2013
	2012-2014
	2013-2015

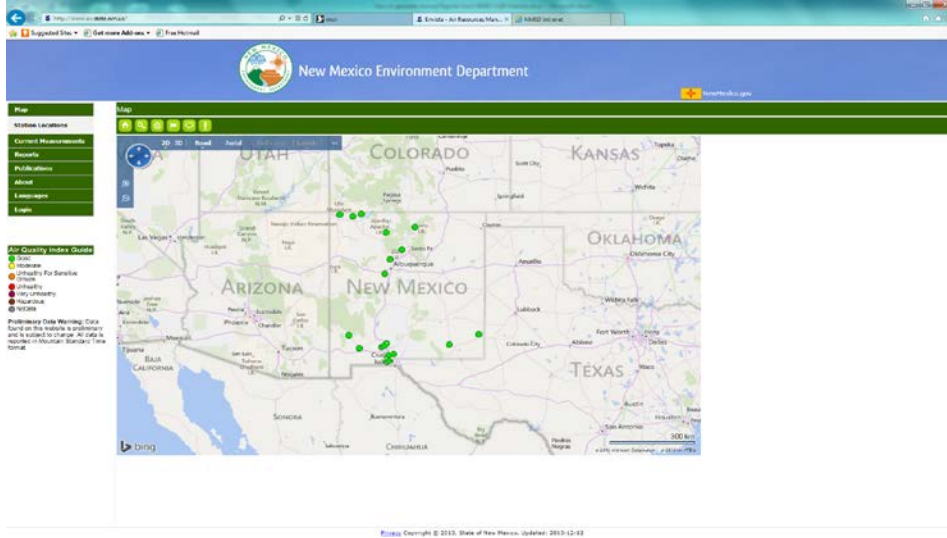
EPA Standard for Ozone is 70 ppb
The Coyote Ranger District monitor only started operating in 2013
The highest 8 hour ozone reading for this monitor in 2013-2015 is 65ppb

Attachment

How to generate Annual Reports from NMED AQB Website

Log onto to NMED-AQB website www.nmenv.state.nm.us/aqb. On AQB Home page click on Monitoring from the drop down list, then click on “Air Quality Index and Monitoring Data”

Monitoring site map of New Mexico should appear.



Click on desired location which is represented by a colored dot.

A Dialog Box should appear with the monitoring site Name, Index Value, and Pollutant Measured.

The screenshot shows the New Mexico Environment Department website. The main content is a map of the southwestern United States with several monitoring sites marked by green dots. A pop-up window for the '1H San Juan Substation' provides the following information:

- Last Received:** 1/28/2015 1:00 PM
- Index Value:** 10 (Green)
- Pollutants:** NO2ppb - 3 ppb, O3 - 0.036 ppm, SO2ppb - 0 ppb
- Owner:** NMED
- Links:** [See Station Information](#), [See Real Time Conditions](#)

On the left side of the page, there is a navigation menu with the following items:

- Map
- Station Locations
- Current Measurements
- Reports
- Publications
- About
- Languages
- Login

Below the menu is an 'Air Quality Index Guide' legend with color-coded categories: Good (Green), Moderate (Yellow), Unhealthy For Sensitive Groups (Orange), Unhealthy (Red), Very Unhealthy (Dark Red), and Hazardous (Dark Purple). A 'Preliminary Data Warning' note is also present.

Click on **“See Real Time Conditions”** at the bottom of the dialog box.

Current monitoring site data should be displayed at this point.

On left hand side there are options in **GREEN** background. Click on **Reports**

New Mexico Environment Department

Real Time Condition: 1H San Juan Substation Last Received: 1/28/2015 1:00 PM

View station info

Monitor	Value
Solar Rad[w/m2]	572.2
Temp_2m[DegC]	11.6
Temp_10[DegC]	11.0
Delta_T[DegC]	-0.6
Wind Speed S[m/s]	3.8
Wind Dir S[Deg]	259.6
Sigma[Deg]	18.5
Wind Max[m/s]	7.9
O3[ppm]	0.036
SO2ppb[ppb]	0
NOxppb[ppb]	4
NOppb[ppb]	0
NO2ppb[ppb]	3

Click on a monitor name above to display a graph of the last 24 hours of received data.

Change Grid / Graph

Wind Direction: 259.6 Deg

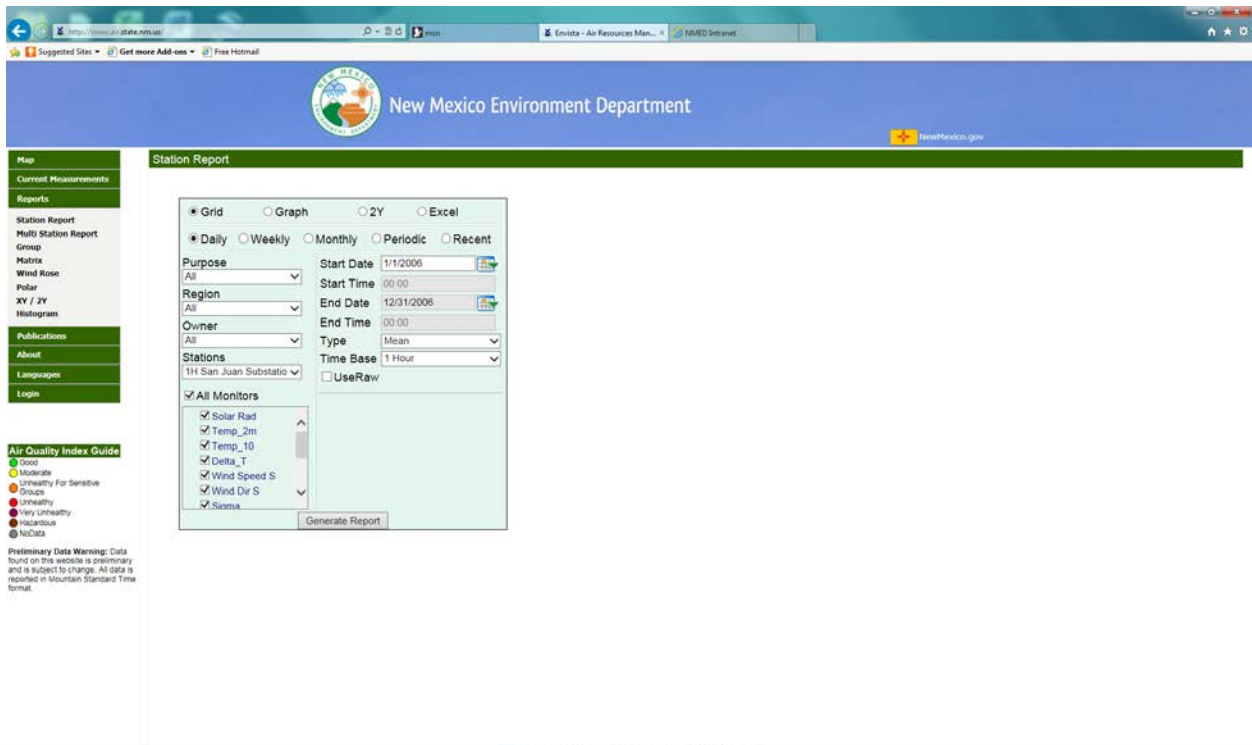
Wind Speed: 3.8 m/s

Air Quality Index: 10.0

Temperature: 11 DegC

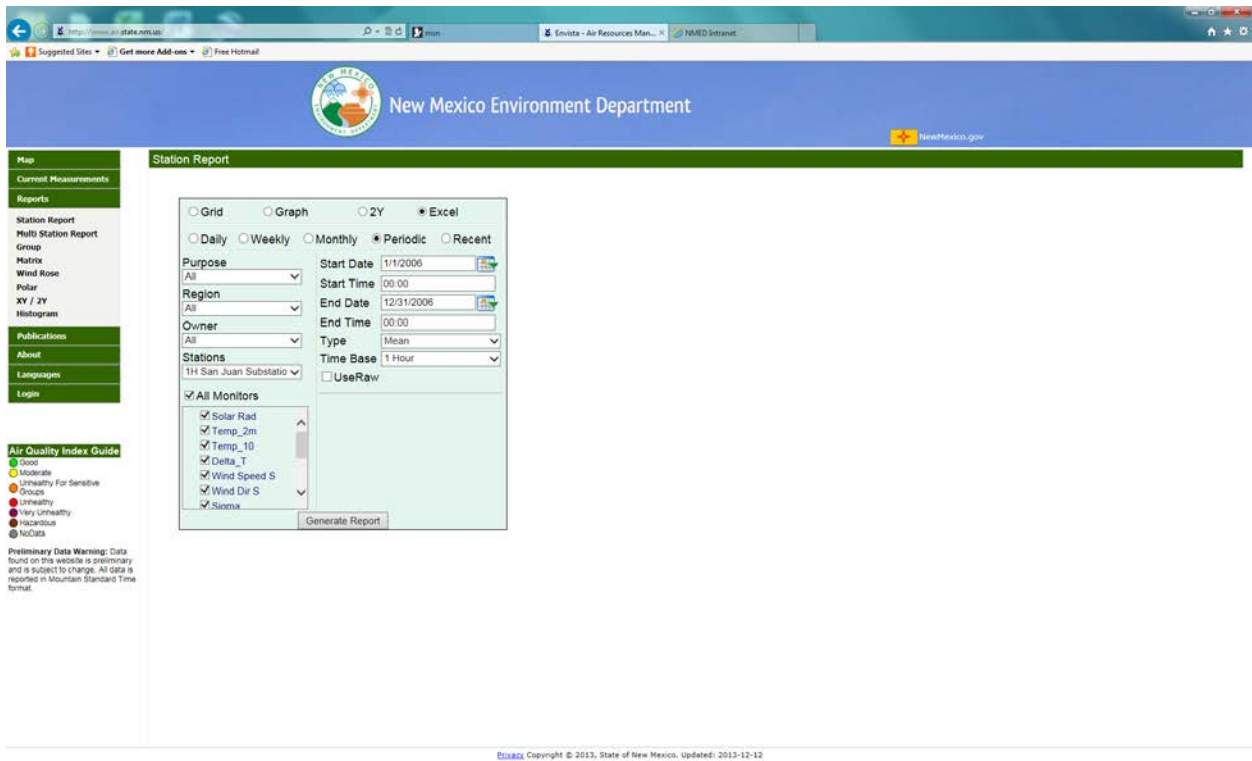
A drop down list will appear with 8 options.

Click on **Station Report**, which will provide a dialog box with various options for the type of report desired (Grid, Graph, 2Y, Excel: excel format recommended). Chose ®Excel

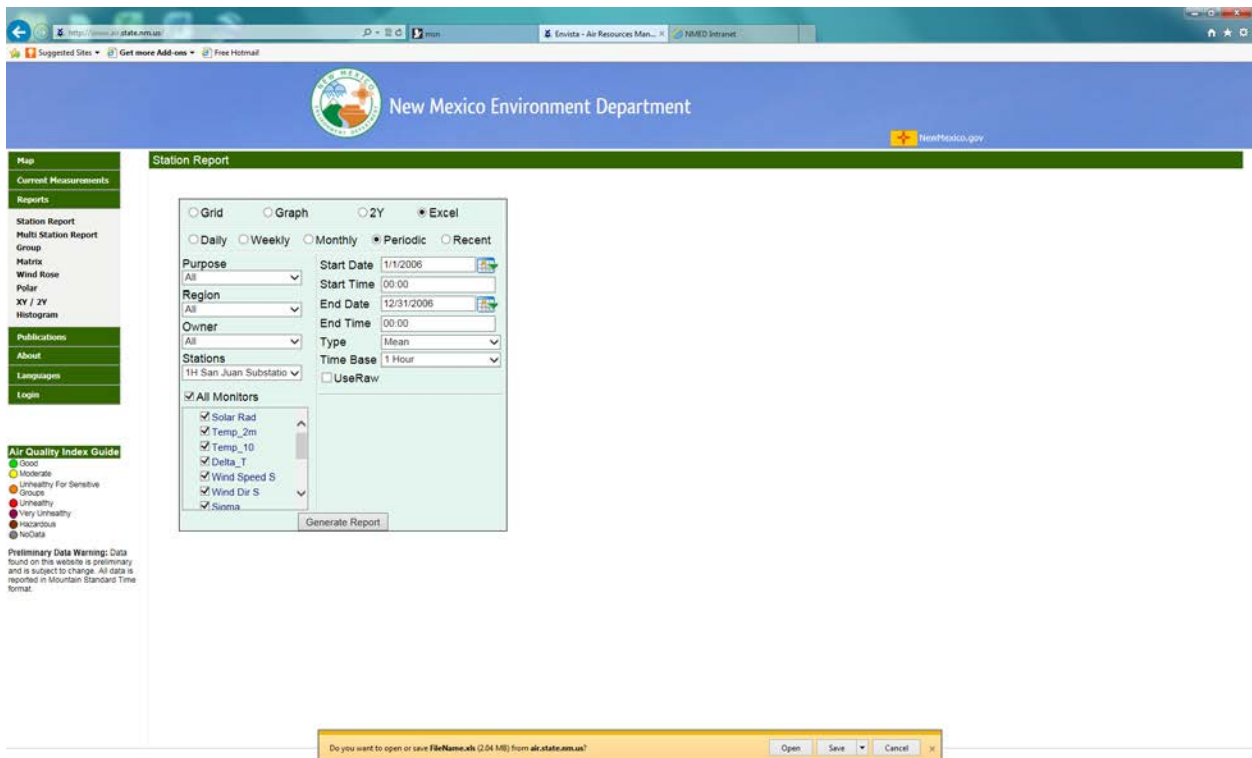


Then chose **Periodic** (black dot should appear next to periodic)

Click on **Stations** where it indicates 1H San Juan Substation for a drop down list of all monitoring sites, and choose desired site. Then choose a **Start Date** (click on the calendar box), and **End Date** (click on the calendar box). Please note that the site can only generate one year's worth of data at a time. Start date should be January 1, and end date should be January 1 of the next year (i.e. Start Date: 1/1/2014, End Date 1/1/2015).

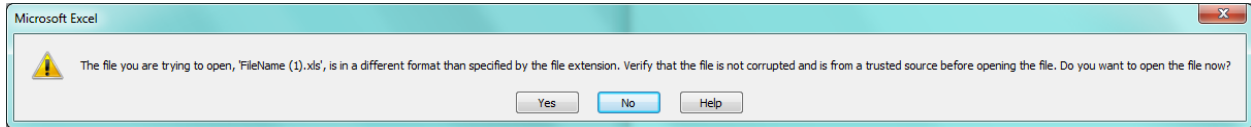


Click on **Generate Report** on bottom of dialog box.



A dialog box will now appear on the bottom of your computer screen stating “Do you want to open or save **FileName.xls (1.73MB)**” from **air.state.nm.us** **OPEN** **SAVE** **CANCEL**

Click on **OPEN** to view the report. A Microsoft Dialog box will appear stating 'The file you are trying to open FileName(1).xls is in a different format than specified by the file extension. Verify the file is not corrupted and is from a trusted source before opening the file. Do you want to open the file now. Click on the Yes tab to view the report



Remember to save the report before exiting as it is not saved automatically.