



Air Quality Permitting Response to Public Comments

February 16, 2018

Permit to Construct No. P-2011.0102

Project No. 61938

**Tesoro Logistics Operations LLC - Burley
Burley, Idaho**

Facility ID No. 031-00017

Prepared by:
Christina Boulay, Permit Writer
AIR QUALITY DIVISION

Final

Table of Contents

BACKGROUND	3
PUBLIC COMMENTS AND RESPONSES	3
APPENDIX	5

BACKGROUND

The Idaho Department of Environmental Quality (DEQ) provided for public comment on the proposed permit to construct to update the storage tank inventory list so it accurately reflects the regulated sources of emissions and to add an indirect natural gas fired heater to the emission sources, for Tesoro Logistics Operations, LLC - Burley from January 8 through February 7, 2018, in accordance with IDAPA 58.01.01.209.01.c. During this period, comments were submitted in response to DEQ's proposed action. Each comment and DEQ's response is provided in the following section. All comments submitted in response to DEQ's proposed action are included in the appendix of this document.

PUBLIC COMMENTS AND RESPONSES

Public comments regarding the technical and regulatory analyses and the air quality aspects of the proposed permit are summarized below. Questions, comments, and/or suggestions received during the comment period that did not relate to the air quality aspects of the permit application, the Department's technical analysis, or the proposed permit are not addressed. For reference purposes, a copy of the Rules for the Control of Air Pollution in Idaho can be found at: <http://adminrules.idaho.gov/rules/current/58/0101.pdf>.

Comment 1: I noted the tank capacity volumes in the draft Trinity redlined are wrong. Please use the volumes in the draft DEQ prepared for public comment.

Response 1: The tank capacity volumes were revised to what the facility accurately reported, physically has on site, operates with, and requested according to the application and emission inventory process.

Comment 2: Tesoro proposes changing the language of Condition 1.1, permit scope and purpose, to read, "to update the storage tank inventory list and to add a natural gas heater used for indirect heating of employee work spaces." As documented in e-mail correspondence with Harold Laurence, Trinity Consultants, dated November 13, the heater is not a direct heater.

Response 2: Permit Condition 1.1 was updated to reflect the accurate purpose of the scope of this project to, "to update the storage tank inventory list and to add a natural gas heater used for indirect heating to Table 1.1 of the permit." Table 1.1 defines the heater as indirect under its description for regulated sources. As DEQ monitors and regulates air pollution control, the scope is to track regulated emission sources.

Comment 3: Tesoro proposes that Tank 1006 be removed from Table 1.1 and Table 2.1. This tank stores wastewater as noted in the draft permit. No air quality requirements or regulations apply to the Tank 1006.

Response 3: Tank 1006 has been removed from Table 1.1 and 2.1, due to the change in use of this tank from gasoline to stormwater runoff collection; this is no longer a source DEQ will regulate.

Comment 4: Tesoro proposes that Table 2.1 be titled "Petroleum Product, Ethanol, and Additive Storage Tank Description," as several tanks listed in the table store fuel additives or denatured ethanol, not gasoline. Additionally, Tesoro proposes that "denatured ethanol for blending" be added to the list of liquids in Condition 2.1, after "diesel fuel."

Response 4: Table 2.1 Heading has been revised to reflect your request, the emissions units also reflect this heading. This is a more accurate label for Table 2.1. Denatured ethanol for blending was added to Permit Condition 2.1. The emissions inventory has record of this liquid, historical

and current operations use this liquid and it is documented within the original PTC. Making these changes does not change the scope of the permit.

Comment 5: Tesoro proposes specifying that the reference to 40 CFR 60 Subpart XX in Condition 3.9 is to §60.502, paragraphs (e)(4) and (e)(5)(f), (g), (h), (i), and (j). Tesoro also proposes that the correct reference to 40 CFR 60 Subpart XX in Condition 3.12.8 is 40 CFR 60.500, rather than §60.505.

Response 5: The word Subpart was added prior to, "XX". §60.502 shall not be added to the paragraph as it is in the header for this permit condition and its accompanying sub conditions, the subparts shall remain as written in the permit. 40 CFR 60.500 is the applicability of this subpart. This section outlines monitoring and recordkeeping, 40 CFR 60.505 is the correct section and shall remain as written.

Comment 6: Tesoro proposes removing Condition 4.4.1, because Tank 1006 is not storing gasoline, so this condition no longer applies to any tanks at the Burley terminal.

Response 6: Permit Condition 4.4.1 has been removed as there are only two tanks at the facility which store gasoline and both tanks have a larger capacity than 75 cubic meters or 151 cubic meters with a throughput of 480 gallon per day. This permit condition no longer applies.

Comment 7: Tesoro proposes inserting only the first paragraph of Condition 4.5, removing the second paragraph from the draft permit. Unless or until the Burley terminal's truck loading rack exceeds an annual average throughput of 250,000 gallons per day, the second paragraph of Condition 4.5 does not apply to any emission units at the Burley terminal.

Response 7: According to the PTC issued 12/20/2011 the hourly throughput rate for the loading rack is 288,000 gallons per hour. In the event the facility operates at capacity this Permit Condition shall apply and remain within the permit.

Comment 7: Tesoro proposes removing Conditions 6.5 and 6.6 from the draft permit. The current permit action does not include new sources reviewable under the PTC program. As described in the letter from Harold Laurence, Trinity Consultants, dated October 24, 2017, the sources being added to Table 1.1 (Tank 1015, natural gas heater) are exempt from PTC review under IDEQ's regulations at IDAPA 58.01.01, §§ 221-223. Therefore, Conditions 6.5 and 6.6 do not apply to the sources added to Table 6.1. Furthermore, the third bullet of Condition 6.6 also appears to be used to determine a source testing timeline for the permitted change, namely Tank 1015, but the permit correctly does not require source testing of Tank 1015.

Response 7: Permit Conditions 6.5 and 6.6 are State Standard DEQ mandated General Provisions and shall remain in the permit.

Comment 7: The attached markup of the draft permit in MS Word format contains minor proposals at the level of phrasing and punctuation to clarify some conditions.

Response 7: The mark up to change tank 1005 on Table 1.1 and 2.1 to, "relief tank, empty during normal operations" shall remain distillate; this is what the tank has the potential to hold.

The mark up to change "applicable" to, "subject to any requirements of", under permit condition 5.1 shall remain "applicable"; this is consistent with the verbiage of the applicability of the federal regulation. The word, "tank's" has been changed to "tanks".

The mark up to change permit condition 3.12.8 shall not be granted. This permit condition shall remain 40 CFR 60.505, as it is the correct section for monitoring and recordkeeping when a source is applicable to this federal regulation.

Appendix
Public Comments Submitted for
Permit To Construct
P-2011.0102

Digital Record of Public Comments

Name: Kirt Rhoads
Email: kirt.wrhowds@undevor.com
Affiliation: Tesoro Logistics Operations LLC
Comments: February 6, 2018

VIA INTERNET: <http://www.deq.idaho.gov/news-public-comments-events/>

Christina Boulay
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DEQ State Office
Air Quality Division
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Tesoro Logistics Operations LLC
475 West 900 North
Salt Lake City, UT 84103

Re: Permit to Construct No. P-2011.0102, Project ID 61938
Tesoro Logistics Operations LLC Burley, ID Terminal, Facility ID 031-00017

Dear Ms. Boulay,

Tesoro Logistics Operations LLC (Tesoro) submits the comments stated below on the draft Permit to Construct (PTC) P-2011.0102, which the Idaho Department of Environmental Quality has prepared for Tesoro's Burley, ID terminal.

Accompanying these comments, please find enclosed a markup of the draft permit in MS Word format, with comment changes recorded in Track Changes mode for your reference.

Tesoro provides the following comments on the draft PTC:

1. Tesoro proposes changing the language of Condition 1.1, permit scope and purpose, to read, "to update the storage tank inventory list and to add a natural gas heater used for indirect heating of employee work spaces." As documented in e-mail correspondence with Harold Laurence, Trinity Consultants, dated November 13, the heater is not a direct heater.
2. Tesoro proposes that Tank 1006 be removed from Table 1.1 and Table 2.1. This tank stores wastewater as noted in the draft permit. No air quality requirements or regulations apply to the Tank 1006.
3. Tesoro proposes that Table 2.1 be titled "Petroleum Product, Ethanol, and Additive Storage Tank Description," as several tanks listed in the table store fuel additives or denatured ethanol, not gasoline. Additionally, Tesoro proposes that "denatured ethanol for blending" be added to the list of liquids in Condition 2.1, after "diesel fuel."
4. Tesoro proposes specifying that the reference to 40 CFR 60 Subpart XX in Condition 3.9 is to §60.502, paragraphs (e)(4) and (e)(5)(f), (g), (h), (i), and (j). Tesoro also proposes that the correct reference to 40 CFR 60 Subpart XX in Condition 3.12.8 is 40 CFR 60.500, rather than §60.505.
5. Tesoro proposes removing Condition 4.4.1, because Tank 1006 is not storing gasoline, so this condition no longer applies to any tanks at the Burley terminal.
6. Tesoro proposes inserting only the first paragraph of Condition 4.5, removing the second paragraph from the draft permit. Unless or until the Burley terminal's truck loading rack exceeds an annual average throughput of 250,000 gallons per day, the second paragraph of Condition 4.5 does not apply to any emission units at the Burley terminal.
7. Tesoro proposes removing Conditions 6.5 and 6.6 from the draft permit. The current permit action does not include new sources reviewable under the PTC program. As described in the letter from Harold Laurence, Trinity Consultants, dated October 24, 2017, the sources being added to Table 1.1 (Tank 1015, natural gas heater) are exempt from PTC review under IDEQ's regulations at IDAPA 58.01.01, §§ 221-223. Therefore, Conditions 6.5 and 6.6 do not apply to the sources added to Table 6.1. Furthermore, the third bullet of Condition 6.6 also appears to be used to determine a source testing timeline for the permitted change, namely Tank 1015, but the permit correctly does not require source testing of Tank 1015.
8. The attached markup of the draft permit in MS Word format contains minor proposals at the level of phrasing and punctuation to clarify some conditions.

Please don't hesitate to call me at (801) 606-2169 with any questions regarding the above comments.

Sincerely,

Kirt Rhoads
Senior Environmental Specialist
Tesoro Logistics LP

cc: J. McLaughlin: Tesoro (SLC)

Enclosures

Thank you:

Christina,
I noted that the tank capacity volumes in the draft Trinity redlined are wrong. Please use the volumes in the draft DEQ prepared for public comment.

1 Permit Scope

Purpose

- 1.1 This is a modified permit to construct (PTC) to update the storage tank inventory list and to add a natural gas heater used for indirect heating of employee work spaces to Table 1.1 of the permit.
- 1.2 Those permit conditions that have been modified or revised by this permitting action are identified by the permit issue date citation located directly under the permit condition and on the right-hand margin.
- 1.3 This PTC replaces Permit to Construct No. P-2011.0102, Project 60886, issued on December 20, 2011.

Regulated Sources

Table 1.1 lists all sources of regulated emissions in this permit.

Table 1.1 Regulated Sources

Permit Section	Source	Control Equipment
	Tank 1001 – 1,239,000 gallon capacity, gasoline	Internal Floating Roof
	Tank 1002 – 2,037,000 gallon capacity, gasoline	Internal Floating Roof
	Tank 1003 – Vertical Fixed Roof of 1,353,000 gallon capacity, distillate	None
	Tank 1004 – Vertical Fixed Roof of 865,958 gallon capacity, distillate	None
	Tank 1005 – Vertical Fixed Roof of 39,951 gallon capacity, distillate relief tank, empty during normal operation	None
	Tank 1006 – Horizontal Tank 15,036 gallon capacity, storm-water	None

2 Petroleum Product and Additive Storage Tanks

2.1 Process Description

The petroleum product and additive storage tanks are used to store selective gasoline, diesel fuel, denatured ethanol for blending, and fuel additives. These could include additives to compensate for the weather conditions, conductivity, lubricity, red dye, etc., and the gasoline and/or diesel that passes through the Burley facility.

2.2 Control Device Descriptions

Table 2.1 Gasoline-Petroleum Product, Ethanol, and Additive Storage Tank Description

Emissions Units / Processes	Control Devices
Tank 1001 - 1,239,000 gallon capacity, gasoline	Internal Floating Roof
Tank 1002 - 2,037,000 gallon capacity, gasoline	Internal Floating Roof
Tank 1003 – Vertical Fixed Roof 1,353,000 gallon capacity, distillate	None
Tank 1004 – Vertical Fixed Roof 865,958 gallon capacity, distillate	None
Tank 1005 – Vertical Fixed Roof 39,951 gallon capacity, relief tank, empty during normal operation distillate	None
Tank 1006 – Horizontal Tank 15,036 gallon capacity, storm-water	None

3.9 Loading Rack NSPS Requirements – 40 CFR 60.502

The permittee shall operate the loading rack and vapor combustion system in accordance with the applicable requirements of 40 CFR 60 Subpart XX, §60.502, paragraphs (e)(4), (e)(5), (f), (g), (h), (i), and (j), including, but not limited to the following eleven permit conditions:

- 3.12.8 Should there be a conflict between 40 CFR 60.50~~50~~ and Permit Condition 3.12.1 through 3.12.7 of this permit, 40 CFR 60.50~~50~~ shall govern.

Emission Limitations and Management Practices

4.4 Storage Tank Management Practices – 40 CFR 63.11087

~~4.4.1 In accordance with 40 CFR 63.11087(a), the permittee must equip each gasoline storage tank with a capacity of less than 75 cubic meters or a capacity of less than 151 cubic meters and a gasoline throughput of 480 gallons per day or less, as calculated by summing the current day's throughput, plus the throughput for the previous 364 days, and then dividing that sum by 365 days, with a fixed roof that is mounted to the storage tank in a stationary manner, and maintain all openings in a closed position at all times when not in use.~~

[12/20/2011]

4.5 Gasoline Loading Rack Emission Limitations and Management Practices – 40 CFR 63.11088

In accordance with 40 CFR 63.11088(a), if the permittee's gasoline loading rack(s) total throughput is less than 250,000 gallons per day as calculated by summing the current day's throughput, plus the throughput for the previous 364 days, then dividing the sum by 365 days, then the permittee must use submerged filling (e.g., bottom loading) with a submerged fill pipe that is no more than 6 inches from the bottom of the cargo tank, and make records available within 24 hours of a request by the administrator that documents the gasoline throughput.

[12/20/2011]

~~In accordance with 40 CFR 63.11088(a), if the permittee's gasoline loading rack(s) throughput is 250,000 gallons per day or greater, as calculated by summing the current day's throughput plus the throughput for the previous 364 days, and then dividing the sum by 365 days, then the permittee shall meet the emissions limit and management practices specific in Table 2 of Subpart BBBBBB.~~

[12/20/2011]

5 Ethanol Storage Tanks

5.1 Process Description

The two ethanol vertical fixed roof storage tanks with a capacity of 19,446 gallons each, store denatured ethanol only. These two storage tanks are below the size requirements for applicability to 40 CFR 60 subpart Kb. Since the two storage tanks store denatured ethanol only, the tanks are not applicable subject to any requirements of 40 CFR 63 subpart BBBBBB. The denatured ethanol is pumped and mixed with gasoline at the loading rack and the volume of ethanol transferred to the loading rack is part of the permitted throughput of the loading rack (195,800,000 gallons of gasoline per any consecutive 12-month period). The ethanol storage tank's emissions are uncontrolled.

Construction and Operation Notification

6.5—This permit shall expire if construction has not begun within two years of its issue date, or if construction is suspended for one year.

[IDAPA 58.01.01.211.02, 5/1/94]

6.6—The permittee shall furnish DEQ written notifications as follows:

- A notification of the date of initiation of construction, within five working days after occurrence; except that in the case where pre permit construction approval has been granted, then notification shall be made within five working days after occurrence or within five working days after permit issuance, whichever is later;
- A notification of the date of any suspension of construction, if such suspension lasts for one year or more; and

- A notification of the initial date of achieving the maximum production rate, within five working days after occurrence—production rate and date.

[IDAPA 58.01.01.211.01, 5/1/94]

- A notification of the anticipated date of initial start-up of the stationary source or facility not more than sixty days or less than thirty days prior to such date; and
- A notification of the actual date of initial start-up of the stationary source or facility within fifteen days after such date.

[IDAPA 58.01.01.211.03, 5/1/94]