Rule Interpretation Summary Form

REQUEST:

Rule/Regulation Citation(s):	Federal Rule: X State Regulation: _ Description:
40 CFR 60, Subpart LLL	Standards of Performance for Onshore Natural Gas Processing; Sulfur Dioxide (SO_2) Emissions
Interpretation Request:	
Determination of the requirements under Title 40 Code of Federal Regulations Part 60 (40 CFR 60), Subpart LLL for gas sweetening units with a design capacity of greater than or equal to 2.0 long tons per day (LTPD), but less than 2.0 LTPD *actual* sulfur feed rate.	

DETERMINATION:

Summary of Request:
The Operating Permits Division staff requested clarification/opinion of regulations in 40 CFR 60, Sections (§§)640 - 648 (New Source Performance Standards (NSPS), Subpart LLL, relating to Standards of Performance for Onshore Natural Gas Processing; SO_2 Emissions). What are the requirements under NSPS, Subpart LLL when the design capacity of a sweetening unit is greater than or equal to (≥) two LTPD but actual operating capacity is less than (<) two LTPD?
Determination:
As per the present rule language in §60.640(a), any unit regardless of design capacity which commenced construction or modification after January 20, 1984 has to comply with NSPS, Subpart LLL. Units with a design capacity ≥ two LTPD shall comply with applicable monitoring, testing, recordkeeping, reporting requirements stated in NSPS, Subpart LLL. Subpart LLL does not differentiate according to operating capacity and exemptions from control requirements are based upon design capacity.

Background Information and Rationale:

Title 40 CFR 60.640(b) (relating to applicability and designation of affected facilities) exempts the following facilities:

> *"Facilities that have a design capacity less than 2 long tons per day (LT/D) of hydrogen sulfide (H_2S) in the acid gas (expressed as sulfur) are required to comply with §60.647(c) but are not required to comply with §§60.642 through 60.646."*

The above exemption specifically applies only to units with design capacity less than two LTPD, and does not depend on the actual operating capacities.

However, the problem that these kind of facilities (units with design capacity ≥ two LTPD, but operating at a capacity < two LTPD have when trying to determine the minimum SO_2 emission reduction efficiency required in 40 CFR 60.642 (relating to Standards for Sulfur Dioxide). Table 1 and 2 in 40 CFR 60.642 are to be utilized to determine the minimum SO_2 emission reduction efficiency, and these tables deal only with units that have a sulfur feed rate ≥ two LTPD. Hence, it is not feasible to calculate the efficiency for units with actual operating capacity < two LTPD from these tables. These same units are still required to meet the testing, monitoring, recordkeeping, and reporting requirements in NSPS, Subpart LLL since the design capacity is ≥ two LTPD.

The Engineering Services Section (ESS) consulted with Mr. Jon York of the Dallas Region 6 Office of the U.S. Environmental Protection Agency (EPA). Mr. York indicated that the initial performance tests required by 40 CFR 60.8 are to be performed at the design capacities of the units (which is ≥ two LTPD and, hence the tables can be utilized) and if the units meet the standards in §60.642, then they will be in compliance at operating capacities < two LTPD. However, Mr. York agreed that it is taxing on the operators of these units to perform compliance tests, each time that it is required, at the design capacities, when they are always operating at less than the cutoff capacity of two LTPD. Mr. York suggested that these operators need to petition the EPA for a rule change or clarification concerning these kind of facilities to resolve the matter.

Mr. York concurred with the ESS that, as per the present rule language in §60.640(a), any unit regardless of design capacity which commenced construction or modification after January 20, 1984, has to comply with NSPS, Subpart LLL. Units with a design capacity ≥ two LTPD, but actually operate at less than two LTPD must meet the monitoring, testing, recordkeeping, and reporting requirements in NSPS, Subpart LLL.

Analysis of Impacts/Consequences of Determination:

For facilities that have a design capacity ≥ two LTPD, but have an actual feed rate of less than two LTPD, the following options exist:

Option 1:

The facility may limit its sulfur feed rate in a Title V Federal Operating Permit and make this limit federally enforceable. There would be monitoring and recordkeeping requirements (using guidance from the New Source Review Sulfur Recovery Units Technical Guidance Package) placed into the permit to ensure compliance with the federally enforceable sulfur feed rate. Sulfur feed rates should be monitored and recorded monthly to demonstrate that the unit is operating at < two LTPD.

Option 2:

An owner or operator may physically change the design capacity of a gas sweetening unit to < two LTPD (example; putting a flow restrictor into the inlet of the gas sweetening unit) and demonstrate that their new design capacity is < two LTPD. In that case, the only requirement will be §60.647(c) and there will be no other monitoring or recordkeeping requirements.

Office Level Determination:

The office level executive staff agreed that facilities may select one of the options stated in the “Analysis of Impacts/Consequences of Determination” section of this form in order to comply with Subpart LLL..