

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
Protecting Texas by Reducing and Preventing Pollution

November 30, 2010

MR CARL E EDLUND PE
DIRECTOR
MULTIMEDIA PLANNING AND PERMITTING DIVISION
US ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVE STE 1200
DALLAS TX 75202-5766

Re: Executive Director's Response to EPA Objection
Minor Revision
Permit Number: O1804
Oiltanking Beaumont Partners, L.P.
Oiltanking Beaumont Terminal
Beaumont, Jefferson County
Regulated Entity Number: RN101042885
Customer Reference Number: CN600611123

Dear Mr. Edlund:

On September 3, 2010, the U.S. Environmental Protection Agency (EPA) Region 6 Office signed a letter identifying objections to the issuance of the proposed federal operating permit for the above referenced site. In accordance with Title 30 Texas Administrative Code § 122.350 (30 TAC § 122.350), the Texas Commission on Environmental Quality (TCEQ) may not issue the permit until the objections are resolved.

The TCEQ has completed the technical review of your objections and offers the enclosed responses to facilitate resolution of the objections. In addition, the attached responses to the objections describe the changes, if applicable, that have been made to the revised proposed permit and supporting statement of basis (SOB). The revised proposed permit and SOB are attached for your review.

Consistent with 30 TAC §122.350, please provide an indication of your acceptance or assessment of the responses and resolutions to the objections as soon as possible. After receipt of your acceptance to the responses and resolutions to the objections, TCEQ will issue the proposed permit.

Mr. Carl E. Edlund, P.E.
Page 2
November 30, 2010

Thank you for your cooperation in this matter. Please contact Ms. Whitney Hill at (512) 239-1301 if you have any questions concerning this matter.

Sincerely,



Steve Hagle, P.E., Director
Air Permits Division
Office of Permitting and Registration
Texas Commission on Environmental Quality

SH/WH/ssl

cc: Mr. Gil Chartier, Environmental Engineer, Houston
Mr. Kim Ivy, Vice President, Oiltanking Beaumont Partners, L.P., Houston
Air Section Manager, Region 10 - Beaumont

Enclosures: TCEQ Executive Director's Response to EPA Objection
Proposed Permit
Statement of Basis

Project Number: 15061

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

The Texas Commission on Environmental Quality (TCEQ) Executive Director (ED) provides this Response to EPA's Objection to the minor revision of the Federal Operating Permit (FOP) for Oiltanking Beaumont Partners, L.P., Oiltanking Beaumont Terminal, Permit No. O1804, Jefferson County, Texas.

BACKGROUND

Procedural Background

The Texas Operating Permit Program requires that owners and operators of sites subject to Title 30 Texas Admin. Code (30 TAC) Chapter 122 obtain a FOP that contains all applicable requirements to facilitate compliance and improve enforcement. The FOP does not authorize construction or modifications to facilities, and it does not authorize emission increases. To construct or modify a facility, the responsible party must have the appropriate new source review authorization. If the site is subject to 30 TAC Chapter 122, the owner or operator must submit a timely FOP application for the site and ultimately must obtain the FOP to operate. Oiltanking Beaumont Partners, L.P. applied to the TCEQ for a minor revision of the FOP for the Oiltanking Beaumont Terminal located in Beaumont, Jefferson County on May 4, 2010, and notice was published on June 29, 2010 date on the TCEQ website. The public comment period ended on July 29, 2010. During the concurrent EPA review period, TCEQ received an objection to the permit from EPA on September 3, 2010.

In accordance with state and federal rules, the permit minor revision may not be issued until TCEQ resolves EPA's objections.

Description of Site

Oiltanking Beaumont Partners, L.P., owns and operates the Oiltanking Beaumont Terminal, located at the Office, north of junction of U.S. Route 69 and State Highway 347 in Beaumont, Jefferson Texas 77705.

Oiltanking's Beaumont facility is a "for-hire" bulk hydrocarbon and chemical liquid storage terminal. Products are stored at the facility in various storage tanks and transferred in and out of terminal tankage by external customers as indicated by market demand. Product is transferred to and from the facility by pipeline, marine vessels, railcars and tank trucks.

The following responses follow the references used in EPA's objection letter.

EPA OBJECTION: Objection to the Incorporation of Flexible Permit into the Title V permit. The *New Source Review (NSR) Authorization References* table in the draft Title V permit incorporates by reference Flexible Permit No. 21356, issued on December 18, 2002. Flexible permits are issued pursuant to 30 TAC Chapter 116, Subchapter G; however, those provisions were disapproved by EPA on June 30, 2010, pursuant to Section 110 of the federal

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 2

Clean Air Act (CAA), 42 U.S.C. § 7410, See 75 Fed. Reg. 41312 (July 15, 2010), and are not part of the applicable implementation plan for the State of Texas (Texas SIP). Therefore, pursuant to 40 CFR § 70.8(c)(1), EPA must object to the issuance of this Title V permit because the terms and conditions of the incorporated flexible permit cannot be determined to be in compliance with the applicable requirements of the Texas SIP. The failure to have submitted information necessary to make this determination constitutes an additional basis for this objection, pursuant to 40 CFR § 70.8(c)(3)(ii). To resolve this objection, additional information must be provided by the applicant showing how the emissions authorized by the flexible permit meet the air permitting requirements of the federally-approved provisions of the Texas SIP. Also, the terms and conditions of flexible permits based upon the requirements of 30 TAC Chapter 116, Subchapter G, must be identified as State-only terms and conditions, pursuant to 40 CFR § 70.6(b)(2).

TCEQ RESPONSE: As a preliminary matter, the ED believes that resolution of EPA concerns regarding flexible permits is a common objective for both TCEQ and the EPA. The concerns discussed below regarding the use of the Title V permitting process to challenge independent flexible permits on a case-by-case basis does not diminish the importance of reaching an expeditious resolution to the NSR flexible permit issue. The ED recognizes the flexible permit rules, located in 30 TAC Chapter 116, Subchapter G, and submitted to EPA in 1994, have been disapproved, effective August 16, 2010. However, the Texas federal operating permit (FOP) program is EPA-approved. TCEQ reviews applications and issues FOPs according to EPA-approved program rules found in 30 TAC Chapter 122. The Texas Operating Permit Program was granted full approval on December 6, 2001 (66 FR 63318), and subsequent rule changes were approved on March 30, 2005 (70 FR 161634). The application procedures, found in 30 TAC § 122.132(a) require an applicant to provide any information required by the ED to determine applicability of, or to codify any "applicable requirement." In order for the ED to issue an FOP, the permit must contain all applicable requirements for each emission unit (30 TAC § 122.142). "Applicable requirement" is specifically defined in 30 TAC § 122.10(2)(h) to include all requirements of 30 TAC Chapter 116 and any term and condition of any preconstruction permit. As a Chapter 116 preconstruction authorization, flexible permits are applicable requirements, and shall be included in applications and Texas issued FOPs, in compliance with Texas's approved program. According to the EPA review procedures of Chapter 122, EPA may only object to issuance of any proposed permit which is not in compliance with the applicable requirements or requirements of this chapter. Therefore, this objection is not valid under the program EPA has approved in Texas because the applicant provided information as to the applicable Chapter 116 requirements, including flexible permits, and the ED has included these requirements in the draft FOP. EPA objections to individual permits issued under an EPA approved operating permit program are not appropriate for concerns that relate to programmatic elements.

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 3

The ED disagrees with the allegation that the failure of the applicant to have submitted information necessary to make a determination of whether they were in compliance with the SIP constitutes an additional basis for this objection, pursuant to 40 CFR § 70.8(c)(3)(ii). Section 70.8(c)(3)(ii) is premised on the *permitting authority* not "submitting any information necessary [for EPA] to review adequately the proposed permit." The ED has provided all information requested by EPA, when asked, including NSR permits and other supporting information. The flexible permit applications, technical reviews, and flexible permits clearly do not allow sources to utilize the flexible permit authorization mechanism to circumvent major NSR permitting requirements. Specifically, 30 TAC Chapter 116 requires that all new major sources or major modifications be authorized through nonattainment or PSD permitting under Subchapter B, Divisions 5 and 6.

The ED also disagrees that additional information must be provided by the applicant showing how the emissions authorized by the flexible permit meet the air permitting requirements of the federally-approved provisions of the Texas SIP. The flexible permit application, technical review, and flexible permit documentation demonstrates that the emissions authorized by the flexible permits meet the air permitting requirements of the federally approved provisions of the SIP regarding requirements for impacts review, emission measurement, BACT, NSPS, NESHAP, MACT, performance demonstration, modeling or ambient monitoring if required, MECT applicability, and nonattainment or PSD permitting if applicable. Texas submitted the initial flexible permit rule for EPA review and action in 1994. EPA's delay in acting on the flexible permit rules, the approval of the state's federal operating permit program and confusion regarding whether the approved federal operating permit program provided federal enforceability for flexible permits, resulted in a very long period of detrimental reliance on this permit mechanism by regulated entities and TCEQ.

Notwithstanding the final disapproval of the flexible permit rules in 30 TAC Chapter 116, Subchapter G, the flexible permit review requirements are parallel to the SIP-approved 30 TAC Chapter 116, Subchapter B permit review and no substantive differences in significant permit elements exist. Indeed, the technical review of the flexible permit No. 21356 application provides information regarding how Subchapter B requirements in § 116.111 are met, including: compliance with the SIP approved Subchapter B rules and review requirements, unit-specific limits based on BACT review at the time of the permit issuance, demonstrations that each emission unit and the facility covered by Permit No. 21356 meets all applicable NSPS, NESHAP requirements, and air dispersion modeling conducted by applicant. The flexible permit and technical review are enclosed with this response. Oiltanking Beaumont Partners, L.P. may separately submit to EPA additional information showing compliance with the Subchapter B requirements. Additionally, the ED does not agree that it is appropriate, necessary or legally required under either 40 CFR Part 70 or the EPA approved federal operating permit program in Texas to require a condition in the operating permit to require a source to prepare and submit a written analysis of any future change/modification to ensure that minor and/or major NSR requirements under the SIP have not been triggered. The federally approved SIP already requires this analysis as part of any future NSR review. See 30 TAC Chapter 116, Subchapter B, Divisions 5 and 6. Minor NSR applicability requirements are adequately specified in the permit

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 4

and commission rules governing NSR permits; thus, the applicant is currently subject to the requirements to demonstrate, upon any future change, when minor or major NSR requirements will apply.

However, the ED recognizes that some companies are in negotiations with EPA to include a special term and condition in the draft FOP requiring that they submit an application to reissue a permit, through the SIP-approved amendment, alteration, or renewal process, with a deadline for application submittal, and specific information to EPA and TCEQ for review prior to public notice. If Oiltanking Beaumont Partners, L.P. agrees to such a process, the TCEQ will work with Oiltanking Beaumont Partners, L.P. to change the draft permit appropriately.

Finally, the flexible permit terms and conditions are not appropriate to be identified as state-only in the FOP. The EPA approved definition of a "state-only requirement" in 30 TAC § 122.10(28) is "any requirement governing the emission of air pollutants from stationary sources that may be codified in the permit at the discretion of the ED. State-only requirements shall not include any requirement required under the Federal Clean Air Act or under any applicable requirement." Therefore, the EPA approved program provides the ED with discretion to determine which requirements must be identified as "state-only" and explicitly prohibits anything defined as an "applicable requirement" from being "state-only." Since flexible permits issued in 30 TAC Chapter 116 are "applicable requirements," they may not be included as "state-only" requirements. Instead, they are applicable requirements which are subject to public notice, affected state review, notice and comment hearings, EPA review, public petition, recordkeeping requirements, compliance demonstration and certification requirements, and appropriate periodic or compliance assurance monitoring requirements. "State-only" requirements are specifically not required to meet requirements that are specific to 40 CFR Part 70. See 122.143(18). As stated previously, the flexible permit terms and conditions comply with SIP approved permit rules and assure compliance with future applicable NSR requirements. Again, with regard to flexible permits, the TCEQ will continue its dialogue with EPA to achieve the mutual goal of NSR permits issued under SIP approved rules.

EPA OBJECTION: Objection to Special Condition 16 for Failing to Meet Compliance Certification Requirements. Special Condition 16 of the draft Title V permit states that the permit holder shall certify compliance with all terms and conditions. The compliance certification requirements for Title V permits are stated in 40 CFR § 70.6(0)(5) and 30 TAC § 122.146 of the federally-approved Texas Title V program, Pursuant to 40 CFR § 70.8(c)(1), EPA objects to the issuance of the Title V permit because Special Condition 16 of the draft Title V permit conflicts with the general terms and conditions reference to 30 TAC § 122.146. To resolve this objection, TCEQ must amend Special Condition 16 to include all the requirements for compliance certifications, as set forth in 30 TAC § 122.146, including the identification of the methods or other means for determining the compliance status with each term and condition of the permit.

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 5

EPA requests that TCEQ revise Special Condition No. 16 to use the following language to resolve our objection on this special condition:

"The permit holder shall certify compliance in accordance with 30 TAC § 122.146. The permit holder shall comply with 30 TAC § 122.146 using at a minimum, but not limited to, the continuous or intermittent compliance method data from monitoring, recordkeeping, reporting, or testing required by the permit and any other credible evidence or information. The certification period may not exceed 12 months and the certification must be submitted within 30 days after the end of the period being certified."

TCEQ RESPONSE: The ED does not agree that Special Condition No. 16 of the draft permit needs to be revised in order to meet regulatory requirements. Special Condition No. 16 of the draft permit is in compliance with the specific requirements of the EPA approved Federal Operating Permit program, as found in 30 TAC Chapter 122. Specifically, § 122.146(5), requires the annual compliance certification to include or reference the specified elements, including: the identification of each term or condition of the permit for which the permit holder is certifying compliance, the method used for determining the compliance status of each emission unit, and whether such method provides continuous or intermittent data; for emission units addressed in the permit for which no deviations have occurred over the certification period, a statement that the emission units were in continuous compliance over the certification period; for any emission unit addressed in the permit for which one or more deviations occurred over the certification period, specific information indicating the potentially intermittent compliance status of the emission unit; and the identification of all other terms and conditions of the permit for which compliance was not achieved. All permit holders are required to comply with the requirements of 30 TAC § 122.146, as well as all other rules and requirements of the commission.

In addition, in 2006, EPA's Title V Task Force endorsed the 'short-form' approach used by TCEQ, as an option for compliance certification. (*See* Title V Task Force, Final Report to the Clean Air Act Advisory Committee, page 108 (April 2006)).

However, in order to help clarify any confusion, the term has been revised to read as follows:

The permit holder shall certify compliance in accordance with 30 TAC § 122.146. The permit holder shall comply with 30 TAC § 122.146 using at a minimum, but not limited to, the continuous or intermittent compliance method data from monitoring, recordkeeping, reporting, or testing required by the permit and any other credible evidence or information. The certification period may not exceed 12 months and the certification must be submitted within 30 days after the end of the period being certified.

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 6

EPA OBJECTION: Objection to Special Condition No. 3. Under the Special Terms and Conditions provisions of the draft Title V permit, Condition No. 3 requires stationary vents with certain flow rates comply with identified provisions of 30 TAC Chapter 111 of the Texas SIP. However, the draft Title V permit does not identify the specific stationary vents that are subject to those requirements. As such, this condition fails to meet the requirement of 40 CFR § 70.6(a)(1), in that the condition lacks the specificity to ensure the compliance with the applicable requirements associated with those unidentified emission units. In addition, the Statement of Basis document for the draft Title V permit does not provide the legal and factual basis for Condition No. 3, as required by 40 CFR § 70.7(a)(5). Pursuant to 40 CFR § 70.8(c)(1), EPA objects to the issuance of the Title V permit since Special Condition 3 is not in compliance with the requirements of 40 CFR § 70.6(a)(1) and 70.7(a)(5). To resolve this objection, TCEQ must revise Special Condition No. 3 of the draft Title V permit to list (or otherwise specifically identify) the specific stationary vents that are subject to the specified requirements of 30 TAC Chapter 111 and provide an explanation in the Statement of Basis for the legal and factual basis for Condition 3.

TCEQ RESPONSE: The EPA has supported the practice of not listing emission units in the permit that only have site-wide or “generic” requirements. See *White Paper for Streamlined Development of Part 70 Permit Applications*, July 10, 1995. The ED documented in the draft FOP that the Chapter 111 visible emission requirements for stationary vents were site-wide requirements - applying uniformly to the units or activities at the site. Because the applicant indicated in its application that only the Chapter 111 site-wide requirements apply to these stationary vents and other sources, the applicant is not required to list these smaller units individually in the unit summary, and therefore, these emission units did not appear in the applicable requirements summary table in the draft FOP.

With regard to stationary vents, there are three basic opacity requirements in 30 TAC § 111.111 that may apply, depending upon specific applicability criteria. Stationary vents constructed on or before January 31, 1972 must meet the requirements of 30 TAC § 111.111(a)(1)(A), which states that opacity shall not exceed 30% averaged over a six-minute period. Stationary vents constructed after January 31, 1972 must meet the requirements of 30 TAC § 111.111(a)(1)(B), which states that opacity shall not exceed 20% averaged over a six-minute period. Lastly, stationary vents where a total flow rate is greater than or equal to 100,000 actual cubic feet per minute (acfm) may not exceed 15% opacity averaged over a six minute period, unless that source has an installed optical instrument capable of measuring opacity that meets specified requirements, specified in 30 TAC § 111.111(a)(1)(C). Subsection 111.111(b) merely states that any of the emission units subject to section 111.111 (for this permit area, this would include all stationary vents and gas flares) shall not include contributions from uncombined water in determining compliance with this section.

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 7

As a result of EPA's objection, TCEQ communicated with the applicant stating that although it is the agency's position, based on EPA's guidance, that listing the individual vents subject to a generic Chapter 111 opacity limit is not required, the applicant can choose to list the units in the permit. The site has vents that are subject to 2 different opacity limits. Vents subject to 30 TAC § 111.111(a)(1)(A) have a 30% opacity limit. Oiltanking Beaumont Partners, L.P. has provided the list of units and the draft Title V permit has been revised to include all stationary vents subject to the 30% opacity requirements of 30 TAC § 111.111(a)(1)(A) in the Applicable Requirements Summary Table. All other vents at the site are subject to 20% opacity, as noted in the revised Special Condition 3.B., which is a site-wide term and condition, as allowed in the *White Paper for Streamlined Development of Part 70 Permit Applications*, July 10, 1995. Furthermore, the legal and factual basis is included in the Statement of Basis for each stationary vent in the Determination of Applicable Requirements table.

EPA OBJECTION: Objection to Failure to Include all Applicable Requirements. The draft Title V permit does not meet the requirements of 40 CFR § 70.6(a)(1), since it fails to include "emission limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements at the time of permit issuance." Permits by Rule (PBRs) are included in the definition of "applicable requirement," found at 30 TAC § 122.10(2) of the federally-approved Texas Title V program. The draft Title V permit lists the following PBRs as applicable requirements: §§ 106.183, 106.261, 106.262, 106.263, 106.478, and 106.511. However, as described below, the draft Title V permit fails to clearly identify all applicable requirements for emission units covered by the permit. For example, in the basis for determination section of the permit shield *provisions* in the draft Title V permit, emission groups GRPFUG1, GRPFUG2, GRPVRNLD2, GRPVFR1, and GRPVFR2 are listed as being affected sources governed by "another 40 CFR Part 63 Subpart." However, in the *Applicable Requirements Summary* table in the draft Title V permit, there is no indication that any of these emission groups are subject to *any* 40 CFR Part 63 Subpart.

The *New Source Review Authorization References by Emissions Unit* table lists Tanks 1 00-12, 100-13, 100-15, 100-16, 100-17, 100-18, 100-19, and 100-20 as being subject to only one PBR; however, TCEQ New Source Review Air Permits database shows that these same emission units are authorized under PBRs §§ 106.183, 106.261, and 106.478. Furthermore, the *New Source Review Authorization References* table lists PBR 106.262, 106.263, and 106.511 as applicable authorizations, but the *New Source Review Authorization References by Emissions Unit* table does not list any emissions unit subject to those PBRs.

Additional inconsistencies in the identification of applicable requirements in the draft Title V permit are associated with PBRs §§ 106.261 and 106.263, both of which require registration. The *New Source Review Authorization References* table lists three versions of 106.261; however, *all* the references to PBR § 106.261 in the *New Source Review Authorization References by Emissions Unit* table are to only one version of this PBR - namely, the one dated November 1, 2003 and emission units that may be covered by earlier versions of PBR § 106.261 are not identified.

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 8

Finally, no registrations are shown for PBR §106.263 in the TCEQ New Source Review Air Permits database for emission units covered by this draft Title V permit and there are no emission units listed in the *New Source Review Authorization. References by Emissions Unit* table as being subject to PBR 106.263.

Pursuant to 40 CFR § 70.8(01). EPA objects to the issuance of the Title V permit since it is not in compliance with the requirements of 40 CFR § 70.6(a)(1). To resolve this objection, TCEQ must revise the draft Title V permit to identify each emission unit covered by the Title V permit and reference the specific emission limitations, applicable monitoring and testing, recordkeeping, and reporting requirements for each such unit, including the relevant and appropriate PBRs associated with each emission unit

TCEQ RESPONSE: Texas' general PBR rules are approved as part of the SIP. In addition, Chapter 106, Subchapter A is a defined applicable requirement under Chapter 122 and the EPA-approved Texas operating permit program.¹ Subchapter A includes applicability, requirements for permitting by rule, registration of emissions, recordkeeping and references to standard exemptions and exemptions from permitting. Additionally, PBR authorizations can apply to distinct, insignificant sources of emissions (i.e., engine, production process, etc.) at a Title V site. As such PBRs do not violate the SIP, EPA policy or prior SIP decisions. The New Source Review (NSR) Authorization References table in the draft Title V permit incorporates the requirements of NSR Permits, including Permits by Rule (PBR), by reference. All "emission limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements at the time of permit issuance" are specified in the PBR incorporated by reference or cited in the draft Title V permit. When the emission limitation or standard is not specified in the referenced PBR, then the emissions authorized under permit by rule from the facility are specified in §106.4(a)(1). Additional requirements for PBRs are found in the Special Terms and Conditions under New Source Review Authorization Requirements. In the Oiltanking Beaumont Partners, L.P., draft Title V permit, these requirements are found in Special Terms and Conditions 12 through 14, relating to PBRs. The ED does not agree that the emission limitations and standards for PBRs should be listed on the face of the Title V permit, as the EPA has supported the practice of incorporation by reference for the purpose of streamlining the content of the Part 70 permit. See *White Paper for Streamlined Development of Part 70 Permit Applications*, July 10, 1995 and *White Paper 2 for Improved Implementation of the Part 70 Operating Permits Program*

¹ Texas Health & Safety Code (THSC) § 382.05196 and implementing rules in 30 TAC chapter 106, relating to PBRs, prohibit an owner or operator of a facility from using a PBR to authorize a major stationary source or major modification. This does not preclude the use of a PBR for non-major changes at a major stationary source, as that term is defined in federal law.

EXECUTIVE DIRECTOR'S RESPONSE TO EPA OBJECTION

Permit Number O1804

Page 9

The basis for determination section of the permit shield, as stated in the objection, shows several emission unit groups listed as being affected sources governed by "another 40 CFR Part 63 Subpart". The emission group GRPFUG1 is applicable to 40 CFR Part 63, Subpart R. The requirements for 40 CFR Part 63, Subpart R are located in Special Term and Condition 10. For clarification, applicable requirements for 40 CFR Part 63, Subpart R were also added in the Applicable Requirements Summary for the emission group GRPFUG1. The emission groups GRPFUG2, GRPVFR1, and GRPVFR2 are not storing or transferring "organic liquids" as defined in 40 CFR Part 63, § 63.2406(b)(1) and emission group GRPMRNLD2 is a marine loading operation. The basis for determination section of the permit shield was updated to reflect this.

The EPA has also supported the practice of not listing insignificant emission units for which "generic" requirements apply. *See White Paper 2 for Improved Implementation of the Part 70 Operating Permits Program.* The New Source Review Authorization (NSR) References table identifies preconstruction authorizations at the site that are required to be listed in the draft permit. The NSR Authorizations are applicable requirements and incorporated by reference. Those NSR Authorizations that are identified in the NSR Authorization References table and not found in NSR Authorization References by Emission Unit table (PBRs 106.262, 106.263, and 106.511) are the only applicable requirement for an emission unit and the NSR Authorization is a "generic" applicable requirement and is applied identically to all subject emission units.

Permit by Rule 106.263 is listed in the NSR Authorization Reference table, and, as noted in the objection, has not been registered with the TCEQ. However, EPA's statement that these PBR claims must be registered is incorrect. This PBR only requires registration when specific conditions apply as specified in the rule text for each of the PBRs. PBR 106.263 requires registration only if the PBR authorizes temporary maintenance and more than 180 consecutive days is required to complete the project.

The NSR database shows multiple registrations for PBR § 106.261. PBR § 106.261 was issued on 02/09/2000, under version date 12/24/1998, also PBR § 106.261 was issued 07/03/2001 and 09/03/2003 under version date 9/4/2000 and PBR § 106.261 was issued on 02/09/2005, 05/20/2005, 10/21/2005, 05/31/2006, 08/16/2006, 09/29/2006, 12/13/2006, 08/10/2007, 12/13/2007, 01/09/2008, 01/11/2008, 08/15/2008, 10/29/2008, 10/15/2009, and 02/11/2010 under version date 11/01/2003. There are multiple registrations under the PBR § 106.261 because each new registration authorizes the addition of a new unit or a modification to an existing unit. All emission sources authorized by a PBR or standard permit have been added to the New Source Review Authorization Reference by Emission Unit table in the permit.