State of Ohio Environmental Protection Agency

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11/16/2009

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Gary Sampson
Kinder Morgan Liquids Terminal - Queen C
3806 KELLOGG AVE.
Cincinnati, OH 45226

RE: DRAFT AIR POLLUTION PERMIT-TO-INSTALL AND OPERATE
Facility ID: 1431072036
Permit Number: P0105556
Permit Type: Renewal
County: Hamilton

Dear Permit Holder:

A draft of the Ohio Administrative Code (OAC) Chapter 3745-31 Air Pollution Permit-to-Install and Operate for the referenced facility has been issued for the emissions unit(s) listed in the Authorization section of the enclosed draft permit. This draft action is not an authorization to begin construction or modification of your emissions unit(s). The purpose of this draft is to solicit comments on the permit. A public notice will appear in the Ohio EPA Weekly Review and the local newspaper, The Cincinnati Enquirer. A copy of the public notice and the draft permit are enclosed. This permit has been posted to the Division of Air Pollution Control Web page http://www.epa.ohio.gov/dapc in Microsoft Word and Adobe Acrobat format. Comments will be accepted as a marked-up copy of the draft permit or in narrative format. Any comments must be sent to the following:

Andrew Hall
Permit Review/Development Section
Ohio EPA, DAPC
122 South Front Street
Columbus, Ohio 43215

and

Hamilton County Dept. of Environmental Services
250 William Howard Taft Pkwy.
Cincinnati, OH 45219-2660

Comments and/or a request for a public hearing will be accepted within 30 days of the date the notice is published in the newspaper. You will be notified in writing if a public hearing is scheduled. A decision on issuing a final permit-to-install and operate will be made after consideration of comments received and oral testimony if a public hearing is conducted. Any permit fee that will be due upon issuance of a final Permit-to-Install and Operate is indicated in the Authorization section. Please do not submit any payment now. If you have any questions, please contact Hamilton County Dept. of Environmental Services at (513)946-7777.

Sincerely,

Michael W. Ahern

Michael W. Ahern, Manager
Permit Issuance and Data Management Section, DAPC

Cc: U.S. EPA Region 5 *Via E-Mail Notification*
HCDOES; Indiana; Kentucky

Permit Strategy Write-Up

1. Check all that apply:

   X Synthetic Minor Determination

   ___ Netting Determination

2. Source Description:

   This FEPTIO is a renewal for an existing loading rack (J001) for the loading of non-gasoline into tank trucks and railcars located at Kinder Morgan Liquids Terminal.

3. Facility Emissions and Attainment Status:

   Kinder Morgan Liquids Terminal is located in Hamilton County which is designated non-attainment for 8-hour ozone standard (VOC and NOx), non-attainment for particulate matter 2.5 microns and less in diameter (PM2.5), and attainment for all other criteria pollutants.

   The facility is a synthetic minor source of hazardous air pollutants (HAP) as established in Federally Enforceable Permit to Install 14-05140 issued 10/23/01.

4. Source Emissions:

   Emissions of HAPs from the entire facility including the non-gasoline tank truck and railcar loading racks in this FEPTIO will remain less than 10 TPY for any individual HAP and less than 25 TPY for any combination of HAPS.

5. Conclusion:

   With the federally enforceable facility wide HAP emission limitations established in the previous PTI 14-05140 and carried through with this FEPTIO permitting action for emissions unit J001 the permittee will continue to be a synthetic minor to avoid being subject to Title V for HAP emissions. The permittee will maintain records and submit reports to demonstrate compliance with this permit HAP emission limitations.

6. Please provide additional notes or comments as necessary:

   None

7. Total Permit Allowable Emissions Summary (for informational purposes only):

Pollutant	Tons Per Year
Individual HAP	9.9
Combined HAPs	24.9

Hamilton County

PUBLIC NOTICE
Issuance of Draft Air Pollution Permit-To-Install and Operate
Kinder Morgan Liquids Terminal - Queen C

Issue Date: 11/16/2009
Permit Number: P0105556
Permit Type: Renewal
Permit Description: Renewal PTIO for non-gasoline tank truck and railcar loading racks 1,2,3,4, & 5.
Facility ID: 1431072036
Facility Location: Kinder Morgan Liquids Terminal - Queen C
3801 KELLOGG AVE,
CINCINNATI, OH 45226
Facility Description: Other Warehousing and Storage

Chris Korleski, Director of the Ohio Environmental Protection Agency, 50 West Town Street, Columbus Ohio has issued a draft action of an air pollution control, federally enforceable permit-to-install and operate (PTIO) for the facility at the location identified above on the date indicated. Comments concerning this draft action, or a request for a public meeting, must be sent in writing no later than thirty (30) days from the date this notice is published. All comments, questions, requests for permit applications or other pertinent documentation, and correspondence concerning this action must be directed to Mike Kramer at Hamilton County Dept. of Environmental Services, 250 William Howard Taft Pkwy. or (513)946-7777. The permit can be downloaded from the Web page: www.epa.ohio.gov/dapc

State of Ohio Environmental Protection Agency
Division of Air Pollution Control

DRAFT

Air Pollution Permit-to-Install and Operate
for
Kinder Morgan Liquids Terminal - Queen C

Facility ID: 1431072036
Permit Number: P0105556
Permit Type: Renewal
Issued: 11/16/2009
Effective: To be entered upon final issuance
Expiration: To be entered upon final issuance

State of Ohio Environmental Protection Agency
Division of Air Pollution Control

Air Pollution Permit-to-Install and Operate
for
Kinder Morgan Liquids Terminal - Queen C

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Authorization

Facility ID: 1431072036
Application Number(s): A0037721
Permit Number: P0105556
Permit Description: Renewal PTIO for non-gasoline tank truck and railcar loading racks 1,2,3,4, & 5.
Permit Type: Renewal
Permit Fee: $0.00 *DO NOT send payment at this time - subject to change before final issuance*
Issue Date: 11/16/2009
Effective Date: To be entered upon final issuance
Expiration Date: To be entered upon final issuance
Permit Evaluation Report (PER) Annual Date: To be entered upon final issuance

This document constitutes issuance to:

Kinder Morgan Liquids Terminal - Queen C
3801 KELLOGG AVE
CINCINNATI, OH 45226

of a Permit-to-Install and Operate for the emissions unit(s) identified on the following page.

Ohio EPA District Office or local air agency responsible for processing and administering your permit:

Hamilton County Dept. of Environmental Services
250 William Howard Taft Pkwy.
Cincinnati, OH 45219-2660
(513)946-7777

The above named entity is hereby granted this Permit-to-Install and Operate for the air contaminant source(s) (emissions unit(s)) listed in this section pursuant to Chapter 3745-31 of the Ohio Administrative Code. Issuance of this permit does not constitute expressed or implied approval or agreement that, if constructed or modified in accordance with the plans included in the application, the described emissions unit(s) will operate in compliance with applicable State and Federal laws and regulations.

This permit is granted subject to the conditions attached hereto.

Ohio Environmental Protection Agency

Chris Korleski
Director

Authorization (continued)

Permit Number: P0105556
Permit Description: Renewal PTIO for non-gasoline tank truck and railcar loading racks 1,2,3,4, & 5.

Permits for the following Emissions Unit(s) or groups of Emissions Units are in this document as indicated below:

Emissions Unit ID:	**J001**
Company Equipment ID:	Loading Rack
Superseded Permit Number:	
General Permit Category and Type:	Not Applicable

A. Standard Terms and Conditions

1. **What does this permit-to-install and operate ("PTIO") allow me to do?**

   This permit allows you to install and operate the emissions unit(s) identified in this PTIO. You must install and operate the unit(s) in accordance with the application you submitted and all the terms and conditions contained in this PTIO, including emission limits and those terms that ensure compliance with the emission limits (for example, operating, recordkeeping and monitoring requirements).

2. **Who is responsible for complying with this permit?**

   The person identified on the "Authorization" page, above, is responsible for complying with this permit until the permit is revoked, terminated, or transferred. "Person" means a person, firm, corporation, association, or partnership. The words "you," "your," or "permittee" refer to the "person" identified on the "Authorization" page above.

   The permit applies only to the emissions unit(s) identified in the permit. If you install or modify any other equipment that requires an air permit, you must apply for an additional PTIO(s) for these sources.

3. **What records must I keep under this permit?**

   You must keep all records required by this permit, including monitoring data, test results, strip-chart recordings, calibration data, maintenance records, and any other record required by this permit for five years from the date the record was created. You can keep these records electronically, provided they can be made available to Ohio EPA during an inspection at the facility. Failure to make requested records available to Ohio EPA upon request is a violation of this permit requirement.

4. **What are my permit fees and when do I pay them?**

   There are two fees associated with permitted air contaminant sources in Ohio:

   - PTIO fee. This one-time fee is based on a fee schedule in accordance with Ohio Revised Code (ORC) section 3745.11, or based on a time and materials charge for permit application review and permit processing if required by the Director.

     You will be sent an invoice for this fee after you receive this PTIO and payment is due within 30 days of the invoice date. You are required to pay the fee for this PTIO even if you do not install or modify your operations as authorized by this permit.

   - Annual emissions fee. Ohio EPA will assess a separate fee based on the total annual emissions from your facility. You self-report your emissions in accordance with Ohio Administrative Code (OAC) Chapter 3745-78. This fee assessed is based on a fee schedule in ORC section 3745.11 and funds Ohio EPA's permit compliance oversight activities. For facilities that are permitted as synthetic minor sources, the fee schedule is adjusted annually for inflation. Ohio EPA will notify you when it is time to report your emissions and to pay your annual emission fees.

5. **When does my PTIO expire, and when do I need to submit my renewal application?**

   This permit expires on the date identified at the beginning of this permit document (see "Authorization" page above) and you must submit a renewal application to renew the permit. Ohio EPA will send a renewal notice to you approximately six months prior to the expiration date of this permit. However, it is

very important that you submit a complete renewal permit application (postmarked prior to expiration of this permit) even if you do not receive the renewal notice.

If a complete renewal application is submitted before the expiration date, Ohio EPA considers this a timely application for purposes of ORC section 119.06, and you are authorized to continue operating the emissions unit(s) covered by this permit beyond the expiration date of this permit until final action is taken by Ohio EPA on the renewal application.

6. What happens to this permit if my project is delayed or I do not install or modify my source?

This PTIO expires 18 months after the issue date identified on the "Authorization" page above unless otherwise specified if you have not (1) started constructing the new or modified emission sources identified in this permit, or (2) entered into a binding contract to undertake such construction. This deadline can be extended by up to 12 months, provided you apply to Ohio EPA for this extension within a reasonable time before the 18-month period has ended and you can show good cause for any such extension.

7. What reports must I submit under this permit?

An annual permit evaluation report (PER) is required in addition to any malfunction reporting required by OAC rule 3745-15-06 or other specific rule-based reporting requirement identified in this permit. Your PER due date is identified in the Authorization section of this permit.

8. If I am required to obtain a Title V operating permit in the future, what happens to the operating provisions and PER obligations under this permit?

If you are required to obtain a Title V permit under OAC Chapter 3745-77 in the future, the permit-to-operate portion of this permit will be superseded by the issued Title V permit. From the effective date of the Title V permit forward, this PTIO will effectively become a PTI (permit-to-install) in accordance with OAC rule 3745-31-02(B). The following terms and conditions will no longer be applicable after issuance of the Title V permit: Section B, Term 1.b) and Section C, for each emissions unit, Term a)(2).

The PER requirements in this permit remain effective until the date the Title V permit is issued and is effective, and cease to apply after the effective date of the Title V permit. The final PER obligation will cover operations up to the effective date of the Title V permit and must be submitted on or before the submission deadline identified in this permit on the last day prior to the effective date of the Title V permit.

9. What are my obligations when I perform scheduled maintenance on air pollution control equipment?

You must perform scheduled maintenance of air pollution control equipment in accordance with OAC rule 3745-15-06(A). If scheduled maintenance requires shutting down or bypassing any air pollution control equipment, you must also shut down the emissions unit(s) served by the air pollution control equipment during maintenance, unless the conditions of OAC rule 3745-15-06(A)(3) are met. Any emissions that exceed permitted amount(s) under this permit (unless specifically exempted by rule) must be reported as deviations in the annual permit evaluation report (PER), including nonexempt excess emissions that occur during approved scheduled maintenance.

10. Do I have to report malfunctions of emissions units or air pollution control equipment? If so, how must I report?

If you have a reportable malfunction of any emissions unit(s) or any associated air pollution control system, you must report this to the Hamilton County Dept. of Environmental Services in accordance with OAC rule 3745-15-06(B). Malfunctions that must be reported are those that result in emissions that exceed permitted emission levels. It is your responsibility to evaluate control equipment breakdowns and operational upsets to determine if a reportable malfunction has occurred.

If you have a malfunction, but determine that it is not a reportable malfunction under OAC rule 3745-15-06(B), it is recommended that you maintain records associated with control equipment breakdown or process upsets. Although it is not a requirement of this permit, Ohio EPA recommends that you maintain records for non-reportable malfunctions.

11. Can Ohio EPA or my local air agency inspect the facility where the emission unit(s) is/are located?

Yes. Under Ohio law, the Director or his authorized representative may inspect the facility, conduct tests, examine records or reports to determine compliance with air pollution laws and regulations and the terms and conditions of this permit. You must provide, within a reasonable time, any information Ohio EPA requests either verbally or in writing.

12. What happens if one or more emissions units operated under this permit is/are shut down permanently?

Ohio EPA can terminate the permit terms associated with any permanently shut down emissions unit. "Shut down" means the emissions unit has been physically removed from service or has been altered in such a way that it can no longer operate without a subsequent "modification" or "installation" as defined in OAC Chapter 3745-31.
You should notify Ohio EPA of any emissions unit that is permanently shut down by submitting a certification that identifies the date on which the emissions unit was permanently shut down. The certification must be submitted by an authorized official from the facility. You cannot continue to operate an emission unit once the certification has been submitted to Ohio EPA by the authorized official.

You must comply with all recordkeeping and reporting for any permanently shut down emissions unit in accordance with the provisions of the permit, regulations or laws that were enforceable during the period of operation, such as the requirement to submit a PER, air fee emission report, or malfunction report. You must also keep all records relating to any permanently shutdown emissions unit, generated while the emissions unit was in operation, for at least five years from the date the record was generated.

Again, you cannot resume operation of any emissions unit certified by the authorized official as being permanently shut down without first applying for and obtaining a permit pursuant to OAC Chapter 3745-31.

13. Can I transfer this permit to a new owner or operator?

You can transfer this permit to a new owner or operator. If you transfer the permit, you must follow the procedures in OAC Chapter 3745-31, including notifying Ohio EPA or the local air agency of the change in ownership or operator. Any transferee of this permit must assume the responsibilities of the transferor permit holder.

14. Does compliance with this permit constitute compliance with OAC rule 3745-15-07, "air pollution nuisance"?

This permit and OAC rule 3745-15-07 prohibit operation of the air contaminant source(s) regulated under this permit in a manner that causes a nuisance. Ohio EPA can require additional controls or modification of the requirements of this permit through enforcement orders or judicial enforcement action if, upon investigation, Ohio EPA determines existing operations are causing a nuisance.

15. What happens if a portion of this permit is determined to be invalid?

If a portion of this permit is determined to be invalid, the remainder of the terms and conditions remain valid and enforceable. The exception is where the enforceability of terms and conditions are dependent on the term or condition that was declared invalid.

B. Facility-Wide Terms and Conditions

1. This permit document constitutes a permit-to-install issued in accordance with ORC 3704.03(F) and a permit-to-operate issued in accordance with ORC 3704.03(G).

   a) For the purpose of a permit-to-install document, the facility-wide terms and conditions identified below are federally enforceable with the exception of those listed below which are enforceable under state law only.

      (1) None.

   b) For the purpose of a permit-to-operate document, the facility-wide terms and conditions identified below are enforceable under state law only with the exception of those listed below which are federally enforceable.

      (1) B.2. thru 5.

2. The allowable emissions of Hazardous Air Pollutants (HAPs), as identified in Section 112(b) of Title III of the Clean Air Act, from emissions units J001 (Non-gasoline loading rack), T001 (Tank #6), T002 (Tank #2), T005 (Tank #5), T006 (Tank #1), T007 (Tank #7), T008 (Tank #8), T009 (Tank #9), T010 (Tank E), T011 (Tank #11), T012 (Tank #12), T013 (Tank #13), T014 (Tank K), T015 (Tank #10), T016 (Tank A), T017 (Tank B), T018 (Tank C), T019 (Tank D), T020 (Tank #15), T021 (Tank #16), T023 (Tank J), T024 (Tank L), T025 (Tank M), T026 (Tank N), T027 (Tank F), T028 (Tank #14), T029 (Tank #17), T030 (Tank #18), T031 (Tank #19), T032 (Tank #20), T033 (Tank #21), T034 (Tank #22), T035 (Tank #23), T036 (Tank #24), T037 (Tank #24),T038 (Tank #25) and other de minimis air contaminant sources, as defined in OAC rule 3745-15-05 and other air contaminant sources exempt from the requirement to obtain a permit to install pursuant to OAC rule 3745-31-03 installed subsequent to the issuance of this permit combined shall not exceed 9.9 tons per year (TPY) for any single HAP, as a rolling, 12-month summation and 24.9 TPY for any combination of HAPs, as a rolling, 12-month summation.

3. The permittee shall collect and record the following information each month for the entire facility:

   a) The name of each HAP* containing material stored or loaded.

   b) The vapor pressure of each HAP containing material.

   c) The throughput, in gallons, of each HAP containing material stored or loaded.

   d) The total individual HAP emissions for each HAP from all HAP containing materials stored or loaded, in pounds or tons per month. (This shall be calculated by using the appropriate emissions factor for each individual HAP for each HAP containing material).

   e) The total combined HAP emissions from all HAP containing materials stored or loaded, in pounds or tons per month. [This shall be calculated by adding the emissions from (d) for each individual HAP emitted].

   f) The updated rolling, 12-month summation for individual HAP emissions for each HAP, in pounds or tons. This shall include the information for the current month and the preceding eleven calendar months.

   g) The updated rolling, 12-month summation for total combined HAP emissions, in pounds or tons. This shall include the information for the current month and the preceding eleven calendar months.

* A listing of the HAPs can be found in Section 112(b) of the Clean Air Act or can be obtained by contacting your Hamilton County Department of Environmental Services contact. This information does not have to be kept on a line-by-line basis.

4. The permittee shall submit quarterly deviation (excursion) reports that identify:

   a) all deviations (excursions) of the following emission limitations, operational restrictions and/or control device operating parameter limitations that restrict the potential to emit (PTE) of any regulated air pollutant and have been detected by the monitoring, record keeping and/or testing requirements in this permit:

      HAP emissions in exceedance of 9.9 tons per year (TPY) for any single HAP, as a rolling, 12-month summation and 24.9 TPY for any combination of HAPs, as a rolling, 12-month summation

   b) the probable cause of each deviation (excursion);

   c) any corrective actions that were taken to remedy the deviations (excursions) or prevent future deviations (excursions); and

   d) the magnitude and duration of each deviation (excursion).

      If no deviations (excursions) occurred during a calendar quarter, the permittee shall submit a report that states that no deviations (excursions) occurred during the quarter.

   The quarterly reports shall be submitted, electronically through Ohio EPA Air Services, each year by January 31 (covering October to December), April 30 (covering January to March), July 31 (covering April to June), and October 31 (covering July to September), unless an alternative schedule has been established and approved by the Director (the appropriate District Office or local air agency).

5. Compliance with the HAP's emission limitations in B.2. shall be demonstrated by the record keeping in B.3.

C. Emissions Unit Terms and Conditions

1. J001, Loading Rack

Operations, Property and/or Equipment Description:

Non gasoline tank truck and railcar loading racks 1,2,3,4, & 5

a) This permit document constitutes a permit-to-install issued in accordance with ORC 3704.03(F) and a permit-to-operate issued in accordance with ORC 3704.03(G).

(1) For the purpose of a permit-to-install document, the emissions unit terms and conditions identified below are federally enforceable with the exception of those listed below which are enforceable under state law only.

a. None.

(2) For the purpose of a permit-to-operate document, the emissions unit terms and conditions identified below are enforceable under state law only with the exception of those listed below which are federally enforceable.

a. None.

b) Applicable Emissions Limitations and/or Control Requirements

(1) The specific operations(s), property, and/or equipment that constitute each emissions unit along with the applicable rules and/or requirements and with the applicable emissions limitations and/or control measures. Emissions from each unit shall not exceed the listed limitations, and the listed control measures shall be specified in narrative form following the table.

	Applicable Rules/Requirements	Applicable Emissions Limitations/Control Measures
a.	OAC rule 3745-21-07(E)	Exempt, less than 40,000 gallons loaded into tank trunks and railcars in any one day.
b.	OAC rule 3745-31-05(D)(1)(b)	See Section B.2.

(2) Additional Terms and Conditions

a. On February 18, 2008, OAC rule 3745-21-07 was revised in its entirety; therefore, the 21-07 rule that was in effect prior to this date is no longer part of the State regulations. On April 4, 2008, the rule revision was submitted to the U.S. EPA as a revision to Ohio's State Implementation Plan (SIP); however, until the U.S. EPA approves the revision to OAC rule 3745-21-07, the requirement to comply with the previous 21-07 rule provisions still exists as part of the federally-approved SIP for Ohio. The following terms and conditions shall become void after U.S. EPA approves the rule revision:

b)(1)a., c)(1) and d)(1).

c) Operational Restrictions

(1) Loading of volatile photochemically reactive materials into any tank truck, trailer or rail road tank car shall not exceed 40,000 gallons per day except as provided by OAC rule 3745-21-07(E)(1)(a) through (c).

d) Monitoring and/or Recordkeeping Requirements

(1) The permittee shall maintain daily records of for each rack, which list the identification of each material loaded, the vapor pressure of each material loaded and the gallons of each material loaded.

e) Reporting Requirements

(1) Annual Permit Evaluation Report (PER) forms will be mailed to the permittee at the end of the reporting period specified in the Authorization section of this permit. The permittee shall submit the PER in the form and manner provided by the director by the due date identified in the Authorization section of this permit. The permit evaluation report shall cover a reporting period of no more than twelve-months for each air contaminant source identified in this permit.

f) Testing Requirements

(1) Compliance with the exemption in b)(1) shall be demonstrated by the recordkeeping in d)(1).

g) Miscellaneous Requirements

(1) None.