

AIR EMISSION PERMIT NO. 13100015-003

IS ISSUED TO

Magellan Pipeline Company, LP

MAGELLAN PIPELINE COMPANY, LP - FARIBAULT

22555 Bagley Avenue
Faribault, Rice County, Minnesota 55021

The emission units, control equipment and emission stacks at the stationary source authorized in this permit are as described in the following permit application(s):

Permit Type	Application Date	Issue Date	Action Number
Total Facility Operating Permit - Reissuance	12/22/2006; revised 04/25/2008	See below	003

This permit authorizes the Permittee to operate the stationary source at the address listed above unless otherwise noted in Table A and supersedes permit No. 13100015-002. This permit authorizes the permittee to operate the stationary source at the address listed above unless otherwise noted in Table A. The permittee must comply with all the conditions of the permit. Any changes or modifications to the stationary source must be performed in compliance with Minn. R. 7007.1150 to 7007.1500. Terms used in the permit are as defined in the state air pollution control rules unless the term is explicitly defined in the permit.

Permit Type: Federal; Part 70/True Minor for NSR

Issue Date: January 8, 2009

Expiration: January 8, 2014
Title I Conditions do not expire.

Don Smith, P.E., Manager
Air Quality Permits Section
Industrial Division

for Paul Eger
Temporary Commissioner
Minnesota Pollution Control Agency

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NOTICE TO THE PERMITTEE:

Your stationary source may be subject to the requirements of the Minnesota Pollution Control Agency's (MPCA) solid waste, hazardous waste, and water quality programs. If you wish to obtain information on these programs, including information on obtaining any required permits, please contact the MPCA general information number at:

Metro Area	651-296-6300
Outside Metro Area	1-800-657-3864
TTY	651-282-5332

The rules governing these programs are contained in Minn. R. chs. 7000-7105. Written questions may be sent to: Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, Minnesota 55155-4194.

Questions about this air emission permit or about air quality requirements can also be directed to the telephone numbers and address listed above.

PERMIT SHIELD:

Subject to the limitations in Minn. R. 7007.1800, compliance with the conditions of this permit shall be deemed compliance with the specific provision of the applicable requirement identified in the permit as the basis of each condition. Subject to the limitations of Minn. R. 7007.1800 and 7017.0100, subp. 2, notwithstanding the conditions of this permit specifying compliance practices for applicable requirements, any person (including the Permittee) may also use other credible evidence to establish compliance or noncompliance with applicable requirements.

FACILITY DESCRIPTION:

Magellan Pipeline Company LP (Permittee) operates an interstate pipeline station in Rice County, Minnesota. The pipeline transports refined petroleum products (e.g. gasoline and fuel oil). The unmanned facility is composed of two identical dual fuel (95 percent natural gas and five percent diesel fuel) fired reciprocating engines and one product storage tank. Natural gas is supplied by pipeline. The engines are compression ignition engines also capable of combusting 100 percent diesel fuel.

The facility operates 24 hours per day, 365 days per year. The primary air emissions are nitrogen oxide (NO_x) and carbon monoxide (CO) from fuel combustion in the engines. The soil remediation system was shutdown in August 2005 after receiving closure from the Minnesota Pollution Control Agency.

Potential NO_x emissions exceed 100 tons per year (tpy) but are less than 250 tpy. The source is not one of the 28 listed source categories for New Source Review (NSR) and therefore is a minor source under NSR. However, the facility is a major source under 40 CFR Part 70.

ACTION 003

This permit action is the reissuance of the Part 70 operating permit. This permit acknowledges the required stack height increase for each of the two engines from 28.5 feet to 43 feet above grade that was recently completed by the Permittee. This permit also includes an annual (12-month rolling sum) 136 ton per year NO_x emissions limit applicable to the combined NO_x emissions from both engines. The stack height increase and NO_x emissions limit are necessary to avoid exceedance of the Minnesota ambient air quality standard for NO_x. This permit also adds the part 63, subp. BBBB requirements that apply to this facility. No facility changes are authorized by this permit.

TABLE A: LIMITS AND OTHER REQUIREMENTS**A-1**

01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault

Permit Number: 13100015 - 003

Table A contains limits and other requirements with which your facility must comply. The limits are located in the first column of the table (What To do). The limits can be emission limits or operational limits. This column also contains the actions that you must take and the records you must keep to show that you are complying with the limits. The second column of Table A (Why to do it) lists the regulatory basis for these limits. Appendices included as conditions of your permit are listed in Table A under total facility requirements.

Subject Item:**Total Facility**

What to do	Why to do it
OPERATIONAL REQUIREMENTS	hdr
The Permittee shall comply with National Primary and Secondary Ambient Air Quality Standards, 40 CFR pt. 50, and the Minnesota Ambient Air Quality Standards, Minn. R. 7009.0010 to 7009.0080. Compliance shall be demonstrated upon written request by the MPCA.	40 CFR pt. 50; Minn. Stat. Section 116.07, subds. 4a & 9; Minn. R. 7007.0100, subps. 7A, 7L & 7M; Minn. R. 7007.0800, subps. 1, 2 & 4; Minn. R. 7009.0010-7009.0080
Operation and Maintenance Plan: Retain at the stationary source an operation and maintenance plan for all air pollution control equipment. At a minimum, the O & M plan shall identify all air pollution control equipment and shall include a preventative maintenance program for that equipment, a description of (the minimum but not necessarily the only) corrective actions to be taken to restore the equipment to proper operation to meet applicable permit conditions, a description of the employee training program for proper operation and maintenance of the control equipment, and the records kept to demonstrate plan implementation.	Minn. R. 7007.0800, subp. 14 and Minn. R. 7007.0800, subp. 16(J)
Circumvention: Do not install or use a device or means that conceals or dilutes emissions, which would otherwise violate a federal or state air pollution control rule, without reducing the total amount of pollutant emitted.	Minn. R. 7011.0020
The Permittee shall comply with the General Conditions listed in Minn. R. 7007.0800, subp. 16.	Minn. R. 7007.0800, subp. 16
Inspections: The Permittee shall comply with the inspection procedures and requirements as found in Minn. R. 7007.0800, subp. 9(A).	Minn. R. 7007.0800, subp. 9(A)
Operation Changes: In any shutdown, breakdown, or deviation the Permittee shall immediately take all practical steps to modify operations to reduce the emission of any regulated air pollutant. The Commissioner may require feasible and practical modifications in the operation to reduce emissions of air pollutants. No emissions units that have an unreasonable shutdown or breakdown frequency of process or control equipment shall be permitted to operate.	Minn. R. 7019.1000, subp. 4
Air Pollution Control Equipment: Operate all pollution control equipment whenever the corresponding process equipment and emission units are operated, unless otherwise noted in Table A.	Minn. R. 7007.0800, subp. 2; Minn. R. 7007.0800, subp. 16(J)
Fugitive Emissions: Do not cause or permit the handling, use, transporting, or storage of any material in a manner which may allow avoidable amounts of particulate matter to become airborne. Comply with all other requirements listed in Minn. R. 7011.0150.	Minn. R. 7011.0150
Noise: The Permittee shall comply with the noise standards set forth in Minn. R. 7030.0010 to 7030.0080 at all times during the operation of any emission units. This is a state only requirement and is not enforceable by the EPA Administrator or citizens under the Clean Air Act.	Minn. R. 7030.0010 - 7030.0080
Permit Appendices: This permit contains two appendices as listed in the permit Table of Contents. The Permittee shall comply with all requirements contained in the appendices.	Minn. R. 7007.0800, subp. 2
PERFORMANCE TESTING	hdr
Performance Testing: Conduct all performance tests in accordance with Minn. R. ch. 7017 unless otherwise noted in Tables A, B, and/or C.	Minn. R. ch. 7017
Performance Test Notifications and Submittals: Performance Tests are due as outlined in Tables A and B of the permit. See Table B for additional testing requirements. Performance Test Notification (written): due 30 days before each Performance Test Performance Test Plan: due 30 days before each Performance Test Performance Test Pre-test Meeting: due 7 days before each Performance Test Performance Test Report: due 45 days after each Performance Test Performance Test Report - Microfiche Copy: due 105 days after each Performance Test	Minn. R. 7017.2030, subp. 1-4 and Minn. R. 7017.2035, subp. 1-2
Limits set as a result of a performance test (conducted before or after permit issuance) apply until superseded as specified by Minn. R. 7017.2025 following formal review of a subsequent performance test on the same unit.	Minn. R. 7017.2025

TABLE A: LIMITS AND OTHER REQUIREMENTS**A-2**

01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault

Permit Number: 13100015 - 003

RECORDKEEPING	hdr
Recordkeeping: Maintain records describing any insignificant modifications (as required by Minn. R. 7007.1250, subp. 3) or changes contravening permit terms (as required by Minn. R. 7007.1350, subp. 2), including records of the emissions resulting from those changes.	Minn. R. 7007.0800, subp. 5(B)
Recordkeeping: Retain all records at the stationary source for a period of five (5) years from the date of monitoring, sample, measurement, or report. Records which must be retained at this location include all calibration and maintenance records, all original recordings for continuous monitoring instrumentation, and copies of all reports required by the permit. Records must conform to the requirements listed in Minn. R. 7007.0800, subp. 5(A).	Minn. R. 7007.0800, subp. 5(C)
When the Permittee determines that no permit amendment or notification is required prior to making a change, the Permittee must retain records of all calculations required under Minn. R. 7007.1200. For expiring permits, these records shall be kept for a period of five years from the date the change was made or until permit reissuance, whichever is longer. For nonexpiring permits, these records shall be kept for a period of five years from the date that the change was made. The records shall be kept at the stationary source for the current calendar year of operation and may be kept at the stationary source or office of the stationary source for all other years. The records may be maintained in either electronic or paper format.	Minn. R. 7007.1200, subp. 4
REPORTING/SUBMITTALS	hdr
Notification of Deviations Endangering Human Health or the Environment: As soon as possible after discovery, notify the Commissioner or the state duty officer, either orally or by facsimile, of any deviation from permit conditions which could endanger human health or the environment.	Minn. R. 7019.1000, subp. 1
Notification of Deviations Endangering Human Health or the Environment Report: Within 2 working days of discovery, notify the Commissioner in writing of any deviation from permit conditions which could endanger human health or the environment. Include the following information in this written description: 1. the cause of the deviation; 2. the exact dates of the period of the deviation, if the deviation has been corrected; 3. whether or not the deviation has been corrected; 4. the anticipated time by which the deviation is expected to be corrected, if not yet corrected; and 5. steps taken or planned to reduce, eliminate, and prevent reoccurrence of the deviation.	Minn. R. 7019.1000, subp. 1
Breakdown Notifications: Notify the Commissioner within 24 hours of a breakdown of more than one hour duration of any control equipment or process equipment if the breakdown causes any increase in the emissions of any regulated air pollutant. The 24-hour time period starts when the breakdown was discovered or reasonably should have been discovered by the owner or operator. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 2. At the time of notification or as soon as possible thereafter, the owner or operator shall inform the Commissioner of the cause of the breakdown and the estimated duration. The owner or operator shall notify the Commissioner when the breakdown is over.	Minn. R. 7019.1000, subp. 2
Shutdown Notifications: Notify the Commissioner at least 24 hours in advance of a planned shutdown of any control equipment or process equipment if the shutdown would cause any increase in the emissions of any regulated air pollutant. If the owner or operator does not have advance knowledge of the shutdown, notification shall be made to the Commissioner as soon as possible after the shutdown. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 3. At the time of notification, the owner or operator shall inform the Commissioner of the cause of the shutdown and the estimated duration. The owner or operator shall notify the Commissioner when the shutdown is over.	Minn. R. 7019.1000, subp. 3
Application for Permit Amendment: If a permit amendment is needed, submit an application in accordance with the requirements of Minn. R. 7007.1150 through Minn. R. 7007.1500. Submittal dates vary, depending on the type of amendment needed.	Minn. R. 7007.1150 through Minn. R. 7007.1500
Extension Requests: The Permittee may apply for an Administrative Amendment to extend a deadline in a permit by no more than 120 days, provided the proposed deadline extension meets the requirements of Minn. R. 7007.1400, subp. 1(H).	Minn. R. 7007.1400, subp. 1(H)
Emission Fees: due 60 days after receipt of an MPCA bill.	Minn. R. 7002.0005 through Minn. R. 7002.0095

TABLE A: LIMITS AND OTHER REQUIREMENTS

Facility Name: Magellan Pipeline Co LP - Faribault
Permit Number: 13100015 - 003

Emission Inventory Report: due on or before April 1 of each calendar year following permit issuance. Submit the report on a form approved by the Commissioner.	Minn. R. 7019.3000 through Minn. R. 7019.3010
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TABLE A: LIMITS AND OTHER REQUIREMENTS**A-4**

01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault

Permit Number: 13100015 - 003

Subject Item: GP 001 Two Reciprocating Engines**Associated Items:** EU 001 Engine 3 - Dual Fuel/Diesel Fuel (Compression Ignition)

EU 002 Engine 4 - Dual Fuel/Diesel Fuel (Compression Ignition)

SV 001 Engine 3

SV 002 Engine 4

What to do	Why to do it
MODELING REQUIREMENTS	hdr
<p>Parameters Used in Modeling: The parameters used in the modeling performed for determining the GP 001 NOx emission limit are listed in Appendix B of this permit. If the Permittee intends to change any of these parameters, the Permittee must submit the revised parameters to the Commissioner and receive written approval before making any changes. The revised parameter information submittal must include, but is not limited to: the locations, heights and diameters of the stacks; locations and dimensions of nearby buildings; velocity and temperatures of the gases emitted; and the emission rates. The plume dispersion characteristics due to the parameter revisions must equal or exceed the dispersion characteristics modeled for this permit, and the Permittee shall demonstrate this in the proposal.</p> <p>If the information does not demonstrate equivalent or better dispersion characteristics, or if a conclusion cannot readily be made about the dispersion, the Permittee must remodel.</p> <p>(continued)</p>	Minn. Stat. Section 116.07, subds. 4a & 9; Minn. R. 7007.0100, subps 7A, 7L & 7M; Minn. R. 7007.0800, subps. 1, 2 & 4; Minn. R. 7009.0010-7009.0080
<p>Parameters Used in Modeling (continued from above):</p> <p>For changes that do not involve an increase in an emission rate and that do not require a permit amendment, the proposal must be submitted as soon as practicable, but no less than 60 days before making the change to any parameter.</p> <p>For changes involving increases in emission rates and that require a minor permit amendment, the proposal must be submitted as soon as practicable, but no less than 60 days before making the change to any parameter.</p> <p>For changes involving increases in emission rates and that require a permit amendment other than a minor amendment, the proposal must be submitted prior to or with the permit amendment application.</p> <p>This is a state only requirement and is not enforceable by the EPA Administrator and citizens under the Clean Air Act.</p>	Minn. Stat. Section 116.07, subds. 4a & 9; Minn. R. 7007.0100, subps 7A, 7L & 7M; Minn. R. 7007.0800, subps. 1, 2 & 4; Minn. R. 7009.0010-7009.0080
EMISSION LIMITS AND OPERATING REQUIREMENTS	hdr
<p>Nitrogen Oxides: less than or equal to 136.0 tons/year using 12-month Rolling Sum calculated by the last day of each month. This limit applies to the combined total NOx emissions from GP 001.</p> <p>This is a state only requirement and is not enforceable by the EPA Administrator or citizens under the Clean Air Act.</p>	Minn. Stat. Section 116.07, subds. 4a & 9; Minn. R. 7007.0100, subps 7A, 7L & 7M; Minn. R. 7007.0800, subps. 1, 2 & 4; Minn. R. 7009.0010-7009.0080
Stack Height: SV 001 and SV 002 height shall be no less than 43 feet above grade.	Minn. Stat. Section 116.07, subds. 4a & 9; Minn. R. 7007.0100, subps 7A, 7L & 7M; Minn. R. 7007.0800, subps. 1, 2 & 4; Minn. R. 7009.0010-7009.0080
Sulfur Dioxide: less than or equal to 0.5 lbs/million Btu heat input (based on equipment design, potential to emit is 0.05 lb/mmBtu while operating on pure diesel fuel and 0.003 lb/mmBtu while operating in dual fuel mode). This limit applies to each GP 001 emission unit.	Minn. R. 7011.2300, subp. 2
Opacity: less than or equal to 20 percent opacity once operating temperatures have been attained. This limit applies to each GP 001 stack.	Minn. R. 7011.2300, subp. 1
Permitted Fuels: Dual fuel (pipeline natural gas and low sulfur (0.05% by weight) diesel fuel) or pure diesel fuel only.	Minn. R. 7007.0800, subp. 2
MONITORING AND RECORDKEEPING	hdr

TABLE A: LIMITS AND OTHER REQUIREMENTS**A-5**

01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault

Permit Number: 13100015 - 003

<p>GP 001 Monthly Recordkeeping</p> <p>By the last day of each month, the Permittee shall calculate and record the following:</p> <ol style="list-style-type: none"> 1. Total GP 001 operating hours while combusting pure (100%) diesel fuel 2. Total GP 001 diesel fuel usage, barrels (bbl; 42 gal/bbl) 3. Total GP 001 natural gas consumption (therms; therm = 0.1 mmBtu) 4. GP 001 monthly diesel fuel NOx emissions in tons 5. GP 001 monthly dual fuel NOx emissions in tons 6. Total GP 001 monthly NOx emissions from all fuels, in tons 7. Total GP 001 12-month NOx emissions from all fuels, in tons, by summing the monthly GP 001 NOx emissions from all fuels from the previous 12 months. <p>Items 4, 5, and 6 shall be calculated using the equations below.</p>	<p>Minn. Stat. Section 116.07, subds. 4a & 9; Minn. R. 7007.0100, subps 7A, 7L & 7M; Minn. R. 7007.0800, subps. 1, 2 & 4; Minn. R. 7009.0010-7009.0080; Minn. R. 7007.0800, subp. 4 and 5</p>
<p>Monthly NOx Emission Calculations:</p> <p>Diesel Fuel Monthly NOx Emissions = $OHpd * 7.056 \text{ mmBtu/hr} * DiFef / 2000$</p> <p>Dual Fuel Monthly NOx Emissions = $((DF * 5.88) - (OHpd * 7.056)) + (NG * 0.1)) * DuFef / 2000$</p> <p>Total Monthly NOx Emissions = Diesel Fuel Monthly NOx + Dual Fuel Monthly NOx</p> <p>Where:</p> <p>OHpd = Monthly GP 001 operating hours on pure diesel fuel 7.056 = Engine heat input capacity, mmBtu/hr DiFef = Diesel fuel NOx emission factor, currently 3.2 lb/mmBtu (AP-42 ch. 3-4) 5.88 = heat content of 1 bbl diesel fuel, mmBtu/bbl DF = Total GP 001 monthly diesel fuel usage, barrels NG = Total GP 001 monthly natural gas usage, therms DuFef = Dual Fuel NOx emission factor, currently 2.7 lb/mmBtu (AP-42 ch. 3-4)</p> <p>DiFef and DuFef shall be revised by performance testing of either GP 001 emission unit, or by EPA revision of AP-42. An MPCA-approved performance test emission factor shall always be used when available.</p>	<p>Minn. R. 7007.0800, subp. 4 and 5</p>
<p>Determination of Diesel Fuel Sulfur Content: The Permittee shall obtain a fuel supplier certification, bill of lading, or equivalent documentation for each shipment of diesel fuel oil, certifying that the sulfur content does not exceed 0.05% by weight.</p> <p>In lieu of documentation for each delivery, the Permittee may obtain a single certification or other documentation stating that all fuel deliveries thereafter will contain no greater than 0.05% sulfur by weight, and that if a delivery contains greater than 0.05% sulfur by weight, that the fuel supplier will notify the Permittee of such in writing at the time of delivery.</p>	<p>Minn. R. 7007.0800, subp. 4 and 5</p>
<p>PERFORMANCE TESTING</p>	<p>hdr</p>
<p>Initial Performance Test: due 180 days after Permit Issuance to measure NOx emissions and determine the NOx emission factor on a lb/mmBtu heat input basis. The Permittee shall initially test one GP 001 engine. Subsequent testing shall be conducted on the engine not tested, and then on the engine for which testing is least current. Initial testing shall be conducted while the engine operates in dual fuel mode. Subsequent tests shall alternate between 100% diesel fuel mode and dual fuel mode.</p>	<p>Minn. R. 7017.2020, subp. 1</p>

TABLE A: LIMITS AND OTHER REQUIREMENTS**A-6**

01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault

Permit Number: 13100015 - 003

Subject Item: FS 001 Valves, Flanges & Seals

What to do	Why to do it
This facility meets the definition of a pipeline pumping station as defined at 40 CFR Section 63.11100. The Permittee shall comply with the following standards in part 63 subpart BBBBBB no later than January 10, 2011.	40 CFR Sections 63.11089(e) and 63.11083(b)
Monthly Leak Inspections: The Permittee shall perform a monthly leak inspection of all equipment in gasoline service, as defined in Section 63.11100. For this inspection, detection methods incorporating sight, sound, and smell are acceptable. Section 63.11100 defines "In gasoline service" as "a piece of equipment used in a system that transfers gasoline or gasoline vapors".	40 CFR Sections 63.11089(a) and 63.11100
Leak Inspection Recordkeeping: A log book shall be used and shall be signed by the Permittee at the completion of each inspection. A section of the log book shall contain a list, summary description, or diagram(s) showing the location of all equipment in gasoline service at the facility.	40 CFR Section 63.11089(b)
Each detection of a liquid or vapor leak shall be recorded in the log book. When a leak is detected, an initial attempt at repair shall be made as soon as practicable, but no later than 5 calendar days after the leak is detected. Repair or replacement of leaking equipment shall be completed within 15 calendar days after detection of each leak, except as provided in paragraph (d) of this section.	40 CFR Section 63.11089(c)
Delay of Equipment Leak Repair: Delay of repair of leaking equipment will be allowed if the repair is not feasible within 15 days. The Permittee shall provide in the semiannual report specified in Section 63.11095(b), the reason(s) why the repair was not feasible and the date each repair was completed.	40 CFR Section 63.11089(d)
(d) The Permittee shall prepare and maintain a record describing the types, identification numbers, and locations of all equipment in gasoline service. If the Permittee elects to implement an instrument program under Section 63.11089, the record shall contain a full description of the program.	40 CFR Section 63.11094(d)
(e) The Permittee shall record in the log book for each leak that is detected the information specified in paragraphs (e)(1) through (7) of section 63.11094. (1) The equipment type and identification number. (2) The nature of the leak (i.e., vapor or liquid) and the method of detection (i.e., sight, sound, or smell). (3) The date the leak was detected and the date of each attempt to repair the leak. (4) Repair methods applied in each attempt to repair the leak. (5) <input type="checkbox"/> Repair delayed <input type="checkbox"/> and the reason for the delay if the leak is not repaired within 15 calendar days after discovery of the leak. (6) The expected date of successful repair of the leak if the leak is not repaired within 15 days. (7) The date of successful repair of the leak.	40 CFR Section 63.11094(e)
c) The Permittee shall submit a semiannual excess emissions report, only for a 6-month period during which an excess emission event (as described at Section 63.11095(b)(5)) has occurred. If no excess emission events have occurred during the previous 6-month period, no report is required. For the purposes of this facility, an excess emission event is each occurrence of an equipment leak for which no repair attempt was made within 5 days or for which repair was not completed within 15 days after detection.	40 CFR Section 63.11095(c)

TABLE B: SUBMITTALS**B-1** 01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault
Permit Number: 13100015 - 003

Also, where required by an applicable rule or permit condition, send to the Permit Technical Advisor notices of:

- accumulated insignificant activities,
- installation of control equipment,
- replacement of an emissions unit, and
- changes that contravene a permit term.

Send submittals that are required to be submitted to the U.S. EPA regional office to:

Mr. George Czerniak
Air and Radiation Branch
EPA Region V
77 West Jackson Boulevard
Chicago, Illinois 60604

Each submittal must be postmarked or received by the date specified in the applicable Table. Those submittals required by parts 7007.0100 to 7007.1850 must be certified by a responsible official, defined in Minn. R. 7007.0100, subp. 21. Other submittals shall be certified as appropriate if certification is required by an applicable rule or permit condition.

Send submittals that are required by the Acid Rain Program to:

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue NW (6204N)
Washington, D.C. 20460

Send any application for a permit or permit amendment to:

AQ Permit Technical Advisor
Industrial Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Table B lists most of the submittals required by this permit. Please note that some submittal requirements may appear in Table A or, if applicable, within a compliance schedule located in Table C. Table B is divided into two sections in order to separately list one-time only and recurrent submittal requirements.

Unless another person is identified in the applicable Table, send all other submittals to:

AQ Compliance Tracking Coordinator
Industrial Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

TABLE B: ONE TIME SUBMITTALS OR NOTIFICATIONS**B-2** 01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault

Permit Number: 13100015 - 003

What to send	When to send	Portion of Facility Affected
Application for Permit Reissuance	due 180 days before expiration of Existing Permit	Total Facility
Notification	due before 05/09/2008. This is the initial notification required by 40 CFR Section 63.9(b)(2) (due 120 days after the effective date of part 63, subp. BBBBBB). If the facility is in compliance with the requirements of subp. BBBBBB at the time the initial notification is due, the Notification of Compliance Status required under section 63.11093(b) may be submitted in lieu of the initial notification.	FS001
Testing Frequency Plan	<p>due 60 days after Initial Performance Test for NOx emissions to determine the NOx emission factor for each GP 001 emission unit. The plan shall specify a testing frequency based on the test data and MPCA guidance. Future performance tests based on 12-month, 36-month, 60-month intervals, or as applicable, shall be required upon written approval by the MPCA.</p> <p>Testing frequency shall be revised after each performance test. Time intervals between tests shall be based on the degree of variation of the measured GP 001 emission factor compared to the most recently determined GP 001 factor, for the specific fuel (pure diesel or dual fuel). For the initial test results, the Permittee shall compare the results to the published EPA NOx emission factor in chapter 3.4 table 3.4-1 to determine a test frequency.</p>	GP001

TABLE B: RECURRENT SUBMITTALS**B-3** 01/08/09

Facility Name: Magellan Pipeline Co LP - Faribault

Permit Number: 13100015 - 003

What to send	When to send	Portion of Facility Affected
Semiannual Deviations Report	<p>due 30 days after end of each calendar half-year starting 06/27/2002. The first semiannual report submitted by the Permittee shall cover the calendar half-year in which the permit is issued. The first report of each calendar year covers January 1 - June 30. The second report of each calendar year covers July 1 - December 31. If no deviations have occurred, the Permittee shall submit the report stating no deviations.</p> <p>This report shall include the information required by Section 63.11095(b)(5) for each FS 001 equipment leak during the reporting period for which no repair attempt was made within 5 days after detection of the leak or for which repair was not completed within 15 days after detection of the leak.</p>	Total Facility
Compliance Certification	due 30 days after end of each calendar year starting 06/27/2002 (for the previous calendar year). Submit the certification on a form approved by the Commissioner, both to the Commissioner and to the US EPA regional office in Chicago. This certification covers all deviations experienced during the calendar year.	Total Facility
Notification of compliance status	due 30 days after end of each calendar year following Permit Issuance. This notification should be submitted with the Compliance Certification due 30 days after the end of each calendar year.	FS001

Facility Name: **Magellan Pipeline Company LP - Faribault**
 Permit Number: **13100015-003**

APPENDIX A: Insignificant Activities Required to be Listed

Minn. R. 7007.1300	Description	Applicable Rule
Subpart 3(B)(2)	Four natural gas-fired heaters with heat input of 167,000 Btu/hr per heater	Minn. R. 7011.0510/0515
Subpart 3(H)(3)	Brazing, soldering, and welding	Minn. R. 7011.0710/0715
Subpart 3(H)(7)	Cleaning Operations	Minn. R. 7011.0710/0715
Subpart 3(I)	1,000 gallon sump with estimated VOC emissions of 30 lb/yr	None
Subpart 3(I)	1000 gallon sump (30 lb/yr VOC emissions) 50 hp diesel-fired emergency generator 42,000 gallon diesel fuel storage tank (170 lb/yr VOC PTE)	None Minn. R. 7011.2300 None (due to age of tank or low vapor pressure of diesel fuel oil)
Subpart 3(J)	Fugitive emissions from unpaved roads and parking lots	Minn. R. 7011.0150
Subpart 3(K)	Infrequent use of spray equipment for routine housekeeping or plant upkeep	Minn. R. 7011.0710/0715
Subpart 4	1 gpm pump for injecting lubricity additive into fuel oil used in dual fuel engines	None

APPENDIX B: Stack Parameters Used In NO_x Modeling (2007)

Stack	Easting	Northing	Elevation	NO _x Lb/hr	Stack height feet	Stack diameter feet	Stack temp (F)	Exit velocity ft/min
SV 001	475,854	4,900,942	1030.0	19.44	43	1.21	832	47.7
SV 002	475,854	4,900,949	1030.1	19.44	43	1.21	832	47.7

TECHNICAL SUPPORT DOCUMENT
For
AIR EMISSION PERMIT NO. 13100015-003

This technical support document is intended for all parties interested in the permit and meets the requirements of 40 CFR § 70.7(a)(5) and Minn. R. 7007.0850, subp. 1. This document provides the legal and factual justification for each applicable requirement or policy decision considered in the preliminary determination to issue the permit.

1. General Information

1.1. Applicant and Stationary Source Location:

Applicant/Address	Stationary Source/Address (SIC Code: 4613)
Magellan Pipeline Company, L.P. One Williams Center, MD 27-3 PO Box 22186 Tulsa OK 74121-2186	22555 Bagley Avenue Faribault Rice County
Contact: Mr. Ryan Bowers Phone: 918-574-7471 ryan.bowers@magellanlp.com	

1.2. Facility Description

Magellan Pipeline Company LP (Permittee) operates an interstate pipeline station in Rice County, Minnesota. The pipeline transports refined petroleum products (e.g. gasoline and fuel oil). The unmanned facility is composed of two identical dual fuel (95% natural gas and 5% diesel fuel) fired reciprocating engines and one product storage tank. Natural gas is supplied by pipeline. The engines are compression ignition engines also capable of combusting 100% diesel fuel.

The facility operates 24 hours per day, 365 days per year. The primary air emissions are NO_x and CO from fuel combustion in the engines. A soil remediation system was shutdown in August 2005 after receiving closure from the Minnesota Pollution Control Agency.

Potential NO_x emissions exceed 100 tons per year (tpy) but are less than 250 tpy. The source is not one of the 28 listed source categories for New Source Review (NSR) and therefore is a minor source under NSR. However, the facility is a major source under 40 CFR Part 70.

1.3 Description of any Changes Allowed with this Permit Issuance

This permit is a reissuance of the part 70 operating permit. No changes are authorized by this permit action. However, this permit acknowledges the 15 foot stack height increase for each of the two engines completed by the Permittee in early 2008. This permit also includes an annual (12-month rolling sum) 136 ton per year NO_x emissions limit applicable to the combined NO_x emissions from both engines. The stack height increase and NO_x emissions limit were necessary

to avoid exceedance of the Minnesota ambient air quality standard for nitrogen oxides. The potential for this exceedance was identified by the capped permit screening exercise conducted in 2004 during drafting of the capped permit rule.

This permit also acknowledges removal of the soil vapor remediation system that was shut down in 2005.

1.4 Description of Amendments Issued Since Issuance of Last Total Facility Permit and Included in this Part 70 Reissuance Permit

Permit Number and Issuance Date	Action Authorized
13100015-002 03/10/2005	Administrative amendment for ownership name change

1.5. Facility Emissions:

Table 1. Total Facility Potential to Emit Summary

	PM tpy	PM ₁₀ tpy	SO ₂ tpy	NO _x tpy	CO tpy	VOC tpy	Single HAP tpy	All HAPs tpy
Total Facility Limited Potential Emissions	2.64	2.64	2.15	136	58.4	10.2	0.04	0.08
Total Facility Actual Emissions (2006)	2.27	2.27	0.44	58.6	24.4	4.29	HAPs not reported in emission inventory	

Table 2. Facility Classification

Classification	Major/Affected Source	Synthetic Minor	Minor
PSD			All pollutants
Part 70 Permit Program	NO _x		PM ₁₀ , SO ₂ , CO, VOC
Part 63 NESHAP			Single & Total HAPs

2. Regulatory and/or Statutory Basis

New Source Review

The facility is an existing natural minor source under New Source Review regulations. No changes are authorized by this permit that would change this status.

Part 70 Permit Program

The facility is a major source under the Part 70 permit program.

New Source Performance Standards (NSPS)

Part 60 subpart IIII, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines, applies to certain reciprocating internal combustion engines. The engines at this facility are not subject to this subpart for the following reasons:

1. The engines were manufactured in 1946 which pre-dates the April 1, 2006 applicability date described at §60.4200(a)(2);
2. The engines have not been reconstructed or modified after July 11, 2005 and therefore are not subject to subpart IIII according to §60.4200(a)(3).

National Emission Standards for Hazardous Air Pollutants (NESHAP)

The facility is a minor (area) source of HAPs.

As of January 10, 2008, subpart BBBBBB applies to this source because it is a pipeline pumping station as defined at §63.11100. The facility is an existing source with a compliance date of January 10, 2011 and does not contain any gasoline storage tanks or loading racks (equipment listed in subp. BBBBBB Tables 1 and 2). As a result the source is only subject to requirements at §63.11089 for monthly leak inspections for equipment (valves, flanges, and seals) in gasoline service, at §63.11094 for recordkeeping, at §63.11095 for reporting (if there were excess emissions), and at §63.11093 for the initial notification.

Minnesota State Rules

The two dual fuel reciprocating engines are subject to Minn. R. 7011.2300 Standards of Performance for Stationary Internal Combustion Engines

Table 3. Regulatory Overview of Facility

GP & EU #	Applicable Regulations	Comments:
GP 001 (EU 001 & EU 002)	Minn. Stat. Section 116.07, subds. 4a & 9; Minn. R. 7007.0100, subps. 7A, 7L & 7M; Minn. R. 7007.0800, subps. 1, 2 & 4; Minn. R. 7009.0010-7009.0080	136 tpy 12-month rolling sum NO _x limit and minimum stack height of 43 feet to restrict predicted NO _x ambient impacts to less than the 100 ug/m ³ Minnesota ambient air quality standard
	Minn. R. 7011.2300	SO ₂ and opacity limits for each emission unit
FS 001	40 CFR part 63 subp. BBBBBB	National Emission Standards for Hazardous Air Pollutants for Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities

3. Technical Information

3.1 Emissions Calculations

PM, PM₁₀, and HAP dual fuel engine emission factors are not available in AP-42. Emissions data for these pollutants are calculated only for diesel fuel operation.

3.2 NO_x Modeling

This facility was identified as a possible contributor to a violation of the NO_x ambient air standard (100 ug/m³ on an annual basis), when a large number of facilities were modeled as part of the capped rulemaking in 2004. The MPCA conducted refined modeling with realtime stack parameters and emission rates, but the results still showed ambient concentrations in excess of the standard. As a result, the Permittee contracted with a consultant to conduct additional modeling to determine the best approach to mitigate the impacts. More refined modeling generated the following impacts shown in table 4, at various stack heights and operating hours. Shaded cells contain concentrations in excess of the 100 ug/m³ Minnesota NO_x ambient air quality standard.

**Table 4. NO_x Ambient Concentrations
At Various Hours Of Operation And Stack Heights
(1988 Met Data)**

Stack Height Increase ¹	(0 ft)	(+5 ft)	(+10 ft)	(+15 ft)	(+20 ft)
Modeled Height	28 ft	33 ft	38 ft	43 ft	48 ft
Operating Hours per Year	Ambient Concentrations ug/m ³				
8,760	246.8	207.1	165.1	122.1	80.8
8,000	225.4	189.1	150.8	111.5	73.8
7,000	197.2	165.5	131.9	97.6	64.6
6,000	169.0	141.8	113.1	83.6	55.4
5,000	140.9	118.2	94.2	69.7	46.1
4,000	112.7	94.6	75.4	55.7	36.9

¹Stack height increase is in reference to the original 28 foot stack height; current height raised to 43 feet in early 2008

To resolve the ambient impacts issue, the Permittee increased stack height to 43 feet and accepted an annual NO_x limit of 136 tons per year (12-month rolling sum basis) which is the annual NO_x emissions when both engines operate 7,000 hours per year.

The Permittee will track total monthly GP 001 diesel fuel usage, total GP 001 monthly operating hours on straight diesel, and total monthly natural gas usage in therms (therm = 0.1 mmBtu) to calculate GP 001 NO_x emissions. For emissions calculation purposes, the Permittee conservatively assumes all diesel fuel operating hours are at 100% engine capacity.

3.3 Periodic Monitoring

In accordance with the Clean Air Act, it is the responsibility of the owner or operator of a facility to have sufficient knowledge of the facility to certify that the facility is in compliance with all applicable requirements.

In evaluating the monitoring included in the permit, the MPCA considers the following:

- The likelihood of violating the applicable requirements;
- Whether add-on controls are necessary to meet the emission limits;
- The variability of emissions over time;
- The type of monitoring, process, maintenance, or control equipment data already available for the emission unit;
- The technical and economic feasibility of possible periodic monitoring methods; and
- The kind of monitoring found on similar units elsewhere.

Table 5 summarizes the periodic monitoring requirements for those emission units for which the monitoring required by the applicable requirement is nonexistent or inadequate.

Table 5. Periodic Monitoring

Emission Unit or Group	Requirement (basis)	Additional Monitoring	Discussion
GP 001 Dual Fuel Engines (EU 001 & EU 002)	20% Opacity & SO ₂ <0.5 lb/mmBtu (Minn. R. 7011.2300) GP 001 NO _x Limit < 136 tons per year (Minn. R. 7007.0800, subp. 2)	None Monthly recordkeeping and calculation of NO _x emissions	Units are fired with 95% pipeline natural gas and 5% diesel fuel, and occasionally with pure diesel fuel. Use of pipeline natural gas and low sulfur (500 ppm) diesel fuel ensures compliance with the SO ₂ and opacity limits in Minn. R. 7011.2300. Diesel fuel supplier certifications or equivalent required to monitor fuel sulfur content and SO ₂ . To verify annual NO _x emissions do not exceed 136 tpy (12-month rolling sum) to avoid exceedance of the NO _x MAAQS.
FS 001	40 CFR part 63 Subp. BBBB	none	NESHAP is post 1990 and has adequate periodic monitoring requirements contained in the standard

3.4 Insignificant Activities

The following is a discussion of applicable periodic monitoring for insignificant activities subject to emission standards. Note that activities listed in the Appendix and not subject to any standards are not included in Table 6.

Table 6. Insignificant Activities

Insignificant Activity	General Applicable Emission limit	Discussion
Fuel use: space heaters fueled by natural gas	PM ≤ 0.6 or 0.4 lb/mmBtu, depending on year constructed Opacity $\leq 20\%$ with exceptions (Minn. R. 7011.0510/515)	It is highly unlikely that these three units could violate the applicable requirement based on the fuel used and EPA published emissions factors. No monitoring warranted.
Individual units with actual emissions less than 2000 lb/year of certain pollutants	Opacity $\leq 20\%$ (with exceptions) & SO ₂ ≤ 0.5 lb/mmBtu (Minn. R. 7011.2300) None	This is a 50 hp diesel-fired emergency generator. It is highly unlikely the engine would violate the applicable requirement. No monitoring warranted. 42,000 gallon diesel fuel storage tank (constructed 1946)
Cleaning operations: alkaline/phosphate cleaners and associated cleaners and burners; brazing, soldering, welding	Opacity $\leq 20\%$ (with exceptions) & PM < 0.30 gr/dscf (Minn. R. 7011.0710/0715)	Insignificant source with no direct vent. Highly unlikely emissions will exhibit opacity or exceed PM limit. No monitoring warranted.
Fugitive emissions from unpaved roads and parking lots.	Take reasonable measures to control fugitive particulate matter from becoming airborne (Minn. R. 7011.0150)	Minimal vehicle traffic. No monitoring warranted.
Infrequent use of spray paint equipment for routine housekeeping or plant upkeep of buildings, machinery, vehicles, and/or other supporting equipment.	Opacity $\leq 20\%$ (with exceptions) & PM < 0.30 gr/dscf (Minn. R. 7011.0710/0715)	Insignificant source with no direct vent. Highly unlikely emissions will exhibit opacity or exceed PM limit. No monitoring warranted.

3.5 Comments Received

Public Notice Period: June 18, 2008 - July 17, 2008
EPA 45-day Review Period: June 18, 2008 - August 1, 2008

No comments were received.

4. Conclusion

Based on the information provided by Magellan Pipeline Company, L.P., the MPCA has reasonable assurance that the proposed operation of the emission facility, as described in the Air Emission Permit No. 13100015-003 and this technical support document, will not cause or contribute to a violation of applicable federal regulations and Minnesota Rules.

Staff Members on Permit Team: Marshall Cole (permit writer/engineer)
 Sarah Kilgriff (enforcement)
 Sean O'Connor (stack testing)
 Peggy Bartz (peer reviewer)

AQ File No. 1858B; DQ #1331

Attachments: 1. CD-01 forms
 2. Emission Calculations