AIR EMISSION PERMIT NO. 12300069- 003

IS ISSUED TO

Kaneb Pipe Line Operating Partnership, L.P. a Valero L.P. company

for

VALERO LP - ROSEVILLE PRODUCTS TERMINAL
2288 West County Road C
Roseville, Ramsey County, MN 55113

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

Permit Type	Application Date	Permit No.	Date Issued
Total Facility Operating Permit	06/15/1996	-001	Not issued
Capped Permit	04/03/2006	-002	Not issued
Total Facility Operating Permit	06/15/1996, revised 06/01/2006	-003	See below

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: State; Limits to Avoid Part 70/Limits to Avoid NSR

Issue Date: December 19, 2006

Expiration: Permit does not expire
All Title I Conditions do not expire

Richard J. Sandberg, Manager
Air Quality Permits Section
Industrial Division

for Brad Moore
Acting 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:

The Roseville terminal is a 60 acre bulk terminal for petroleum products. The facility consists of 11 main product storage tanks, a Vapor Recovery Unit (VRU), and a truck loading rack. The terminal began operation in 1947. The terminal receives petroleum products through a pipeline distribution network consisting of three pipelines. Petroleum products are shipped out to other terminals through one of the pipelines or to retailers and bulk stations through five tank truck loading spots. Product transfer from refineries to terminal and between terminals occurs on a continuous basis. The primary products handled are unleaded gasoline, No. 1 and No. 2 fuel oils, ethanol, and jet fuels. Volatile organic compound (VOC) emissions result primarily from loading trucks and from storage tank losses.

TABLE A: LIMITS AND OTHER REQUIREMENTS

Facility Name: Valero LP - Roseville Products Terminal

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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
NATIONAL EMISSION STANDARDS FOR GASOLINE DISTRIBUTION FACILITIES	hdr
A bulk gasoline terminal is not subject to the provisions of 40 CFR Section 63, Subpart R, when the owner or operator has documented and recorded that the result, E{T}, of the following equation is less than 1, and complies with requirements in 40 CFR Section 63.420(c), (d), (e), and (f): E(T) = CF[0.59(T{F})(1-CE)+0.17(T{E})+0.08(T{ES})+0.038(T{I})+8.5E-6(C)+KQ]+0.04(OE) See Appendix B for details on this calculation.	40 CFR Section 63.420(a)(1); Minn. R. 7011.7180
The owner or operator shall operate the facility such that none of the facility parameters used to calculate E{T} under 40 CFR Section 63.420(a)(1) is exceeded in any rolling 30 day period.	40 CFR Section 63.420(d)(1); Minn. R. 7011.7180
(Distillate Loading) Process Throughput: less than or equal to 365257 gallons/day using 30-day Rolling Average	40 CFR Section 63.420(d)(1); Minn. R. 7011.7180
(Gasoline) Process Throughput: less than 2298660 gallons/day using 30-day Rolling Average	40 CFR Section 63.420(d)(1); Minn. R. 7011.7180
By the 7th day of each month, the Permittee shall have calculated the total quantity of distillate throughput and the 30-day rolling average, for each day of the previous calendar month.	Minn. R. 7007.0800, subp. 5
By the 7th day of each month, the Permittee shall have calculated the total quantity of gasoline throughput and the 30-day rolling average, for each day of the previous calendar month.	Minn. R. 7007.0800, subp. 5
Maintain records of the values of the following parameters used in the equation for E{T}. These numbers should not exceed the quantities used in the equation, shown in Appendix B. T{F} = number of fixed roof tanks in gasoline service T{E} = number of floating roof tanks in gasoline service, which have only primary roof seals T{ES} = number of floating roof tanks in gasoline service, which have both primary and secondary roof seals T{I} = number of internal floating roof tanks in gasoline service C = number of pumps, valves, connectors, loadarm valves, and open ended lines in gasoline service	Minn. R. 7007.0800, subp. 5
Maintain the record of the E{T} calculation in 40 CFR Section 63.420(a)(1), including methods, procedures, and assumptions supporting the calculation that E{T} < 0.5.	40 CFR Section 63.420(d)(2); 40 CFR Section 63.428(j)(2); Minn. R. 7011.7180
At any time after December 16, 1996, and prior to any parameter being exceeded, the owner or operator may notify the Administrator of modifications to the facility parameters. Each such notification shall document any expected HAP emission change resulting from the change in parameter.	40 CFR Section 63.420(d)(2); 40 CFR Section 63.428(j)(3); Minn. R. 7011.7180
OPERATIONAL REQUIREMENTS	hdr
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
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)

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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 control practices and shall include a preventative maintenance program for the equipment and practices, a description of (the minimum but not necessarily the only) corrective actions to be taken to restore the equipment and practices 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 practices, and the records kept to demonstrate plan implementation.	Minn. R. 7007.0800, subp. 14 and Minn. R. 7007.0800, subp. 16(J)
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
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
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)
The Permittee shall comply with the General Conditions listed in Minn. R. 7007.0800, subp. 16.	Minn. R. 7007.0800, subp. 16
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 The Notification, Test Plan, and Test Report may be submitted in alternative format as allowed by Minn. R. 7017.2018.	Minn. Rs. 7017.2030, subp. 1-4, 7017.2018 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 and completion of permit reopening and reissuance. If limits serve to cause more stringent operating conditions, resulting changes to facility operation need to be made immediately. If limits serve to relax current operating conditions, resulting changes to facility operation must not be made prior to issuance of permit amendment with new limit incorporated.	Minn. R. 7017.2025
MONITORING REQUIREMENTS	hdr
Monitoring Equipment Calibration: Annually calibrate all required monitoring equipment, including thermocouples and gasoline flow meters. (Any requirements applying to continuous emission monitors are listed separately in this permit.)	Minn. R. 7007.0800, subp. 4(D)
Operation of Monitoring Equipment: Unless otherwise noted in Tables A, B, and/or C, monitoring a process or control equipment connected to that process is not necessary during periods when the process is shutdown, or during checks of the monitoring systems, such as calibration checks and zero and span adjustments. If monitoring records are required, they should reflect any such periods of process shutdown or checks of the monitoring system.	Minn. R. 7007.0800, subp. 4(D)
RECORDKEEPING	hdr
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)

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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)
REPORTING/SUBMITTALS	hdr
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
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
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
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 Inventory Report: due on or before April 1 of each calendar year following permit issuance. To be submitted on a form approved by the Commissioner.	Minn. R. 7019.3000 through Minn. R. 7019.3100
Emission Fees: due 60 days after receipt of an MPCA bill.	Minn. R. 7002.0005 through Minn. R. 7002.0095

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Subject Item: **GP 001 Soil Vapor Extraction Systems**

Associated Items: EU 002 Soil Vapor Extraction 1

EU 003 Soil Vapor Extraction 2

What to do	Why to do it
EMISSION LIMITS	hdr
THC (Total Hydrocarbons): less than or equal to 20 tons/year using 12-month Rolling Sum , calculated monthly (after resumption of operation) using the following formula: Ton of Pollutant = A x B x C x 1.869 x 10E-09 [(liter * min * ton)/(ug*ft^3*hr)], where: A = Average pollutant concentration (ug/l) determined from the results of Air Sample Analysis Method TO-3 for the current and previous month B = Volumetric flow rate (cfm) of exhaust stream meansured for current month C = Total number of SVE system operating hours since the previous emission rate determination.	TItle I Condition: To avoid classification as a major source under 40 CFR Section 52.21 and Minn. R. 7007.3000
MONITORING REQUIREMENTS	hdr
Following resumption of operation of either unit listed in GP001, continuously monitor the hours of operation of both units.	TItle I Condition: To avoid classification as a major source under 40 CFR Section 52.21 and Minn. R. 7007.3000
Sample Analysis: due before end of each calendar month following Resuming Operation. Sample the SVE system emissions for benzene, toluene, xylene, and total hydrocarbons using Air Sample Analysis Method TO-3. A minimum of two samples, taken consecutively, shall be analyzed each month.	TItle I Condition: To avoid classification as a major source under 40 CFR Section 52.21 and Minn. R. 7007.3000

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Subject Item: **EU 001 Truck Loading Rack**

Associated Items: CE 001 Activated Carbon Adsorption

SV 001 Bypass

SV 002 Vapor Control Unit/Loading Rack

What to do	Why to do it
EMISSION LIMITS	hdr
Volatile Organic Compounds: less than or equal to 8.0 milligrams/liter of gasoline loaded (measured at the CE001 exhaust point)	Title I Condition: To avoid classification as a major source under 40 CFR Section 52.21 and Minn. R. 7007.3000; To avoid classification as a major source under 40 CFR Section 70.2 and Minn. R. 7007.0200
Total Organic Compounds: less than or equal to 35 milligrams/liter of gasoline loaded (measured at the CE001 exhaust point)	40 CFR Section 60.502(b); Minn. R. 7011.1550
CONTROL REQUIREMENTS (See Subject Item CE001 for specific operating conditions)	hdr
The Permittee shall operate and maintain the control equipment at all times that any emission unit controlled by the condenser is in operation. The Permittee shall document periods of non-operation of the control equipment.	Title I Condition: To avoid classification as a major source under 40 CFR Section 52.21 and Minn. R. 7007.3000; To avoid classification as major source under 40 CFR Section 70.2 and Minn. R. 7007.0200
Volatile Organic Compounds: greater than or equal to 98 percent collection efficiency	Title I Condition: To avoid classification as a major source under 40 CFR Section 52.21 and Minn. R. 7007.3000; To avoid classification as major source under 40 CFR Section 70.2 and Minn. R. 7007.0200
Loading Rack shall be equipped with a vapor collection system designed to collect the total organic compounds displaced from tank trucks during product loading.	40 CFR Section 60.502(a); Minn. R. 7011.1550
The vapor collection system shall be designed to prevent any total organic compounds vapors collected at one loading rack from passing to another loading rack.	40 CFR Section 60.502(d); Minn. R. 7011.1550
The owner or operator shall act to assure that loadings of gasoline tank trucks at the affected facility are made only into tanks equipped with vapor collection equipment that is compatible with the terminal's vapor collection system.	40 CFR Section 60.502(f); Minn. R. 7011.1550
The owner or operator shall act to assure that the terminal's and the tank truck's vapor collection systems are connected during each loading of a gasoline tank truck at the affected facility. Examples of actions to accomplish this include training drivers in the hookup procedures and posting visible reminder signs at the affected loading racks.	40 CFR Section 60.502(g); Minn. R. 7011.1550
OPERATING REQUIREMENTS	hdr
Loadings of liquid product into gasoline tank trucks shall be limited to vapor-tight gasoline tank trucks using the following procedures: - The owner or operator shall obtain the vapor tightness documentation described in 40 CFR Section 60.505(b) for each gasoline tank truck which is to be loaded at the affected facility. - The owner or operator shall require the tank identification number to be recorded as each gasoline tank truck is loaded at the affected facility.	40 CFR Section 60.502(e)(1) & (2); Minn. R. 7011.1550
The owner or operator shall cross-check each tank identification number obtained under 40 CFR Section 502(e)(2) with the file of tank vapor tightness documentation within 2 weeks after the corresponding tank is loaded, unless either of the following conditions is maintained: (A) If less than an average of 1 gasoline tank truck per month over the last 26 weeks is loaded without vapor tightness documentation then the documentation cross-check shall be performed each quarter; or (B) If less than an average of 1 gasoline tank truck per month over the last 52 weeks is loaded without vapor tightness documentation then the documentation cross-check shall be peformed semiannually.	40 CFR Section 60.502(e)(3)(i); Minn. R. 7011.1550
If either the quarterly or semiannual cross-check provided under 40 CFR Section 60.502(e)(3)(i)(A) or (B) reveals that these conditions were not maintained, the source must return to biweekly monitoring until such time as these conditions are again met.	40 CFR Section 60.502(e)(3)(ii); Minn. R. 7011.1550
The owner or operator shall notify the owner or operator of each non-vapor-tight gasoline tank truck loaded at the affected facility within 1 week of the documentation cross-check under 40 CFR Section 60.502(e)(3).	40 CFR Section 60.502(e)(4); Minn. R. 7011.1550

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The terminal owner or operator shall take steps assuring that the non-vapor-tight gasoline tank truck will not be reloaded at the facility until vapor tightness documentation for that tank truck is obtained.	40 CFR Section 60.502(e)(5); Minn. R. 7011.1550
The vapor collection and liquid loading equipment shall be designed and operated to prevent gauge pressure in the delivery tank from exceeding 4500 pascals (450 mm of water) during product loading. This level is not to be exceeded when measured by the procedures in 40 CFR Section 60.503(d)	40 CFR Section 60.502(h); Minn. R. 7011.1550
No pressure-vacuum vent in the bulk gasoline terminal's vapor collection system shall begin to open at a system pressure less than 4500 pascals (450 mm of water).	40 CFR Section 60.502(i); Minn. R. 7011.1550
TESTING REQUIREMENTS	hdr
Performance Test: due 180 days after Permit Issuance to measure Volatile Organic Compound emissions. Use the test methods and procedures in 40 CFR Section 60.503.	Title I Condition: To avoid classification as a major source under 40 CFR Section 52.21 and Minn. R. 7007.3000; To avoid major source classification under 40 CFR Section 70.2 and Minn. R. 7007.0200; Minn. R. 7017.2020, subp. 1
Performance Test Notifications and Submittals; 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 day before each Performance Test Performance Test Report: due 45 days after each Performance Test Performance Test Report - Microfiche Copy or CD: due 105 day after each Performance Test. The Notification, Test Plan, and Test Report may be submitted in alternative format as allowed by Minn. R. 7017.2018.	Minn. R. 7017.2030, subp. 1-4; Minn. R. 7017.2018 and Minn. R. 7017.2035, subp. 1-2
RECORDKEEPING AND REPORTING REQUIREMENTS	hdr
The tank truck vapor tightness documentation required under 40 CFR Section 60.502(e)(1) shall be kept on file at the terminal in a permanent form available for inspection.	40 CFR Section 60.505(a); Minn. R. 7011.1550
The documentation file for each gasoline tank truck shall be updated at least once per year to reflect current test results as determined by Method 27. The documentation for each test shall include, as a minimum, the following information: - Test title: Gasoline Delivery Tank Pressure Test - EPA Reference Method 27; - Tank owner and address; - Tank identification number; - Testing location and date; - Tester name and signature; - Witnessing inspector, if any: Name affiliation, and signature; - Test results: test pressure; actual pressure change in 5 minutes, mm of water (average for 2 runs).	40 CFR Section 60.505(b); Minn. R. 7011.1550
The owner or operator shall keep documentation of all notifications required under 40 CFR Section 60.502(e)(4) on file at the terminal for at least 2 years.	40 CFR Section 60.505(d); Minn. R. 7011.1550
As an alternative to keeping records at the terminal of each gasoline cargo tank test result as required by 40 CFR Section 60.505(a), (c), and (d), an owner or operater may instead ensure that an electronic copy of each record is instantly available at the terminal, provided that the copy of each record is an exact duplicate image of the original paper record with certifying signatures, and the permittting authority (MPCA) is notified in writing that this is the case.	40 CFR Section 60.505(e)(1); Minn. R. 7011.1550
For facilities utilizing a terminal automation system to prevent gasoline cargo tanks that do not have valid vapor tightness documentation from loading, as an alternative to keeping records at the terminal of each gasoline cargo tank test result as required by 40 CFR Section 60.505(a), (c), and (d), an owner or operater may instead ensure that a copy of the documentation is made available (e.g., via fascimile) for inspection by MPCA representatives during the course of a site visit, or within a mutually agreeable time frame, provided that the copy of each record is an exact duplicate image of the original paper record with certifying signatures, and the MPCA is notified in writing that the terminal using this alternative is in compliance with 40 CFR Section 60.505(e)(2).	40 CFR Section 60.505(e)(2); Minn. R. 7011.1550

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Subject Item: **CE 001 Activated Carbon Adsorption**

Associated Items: EU 001 Truck Loading Rack

What to do	Why to do it
The Permittee shall operate and maintain the carbon adsorption unit in accordance with the Operation and Maintenance (O & M) Plan. The Permittee shall keep copies of the O & M Plan available onsite for use by staff and MPCA staff.	Minn. R. 7007.0800, subp. 14
Temperature: less than or equal to 200 degrees F absolute maximum at the control device outlet unless a new maximum temperature is required to be set pursuant to Minn. R. 7017.2025, subp. 3. If a new maximum temperature is required to be set, it will be based on the average temperature recorded during the most recent MPCA approved performance test where compliance for VOC emissions was demonstrated. If the temperature goes above the maximum temperature limit, the VOC emissions during that time shall be considered uncontrolled until the maximum temperature limit is once again achieved.	Title I Condition: To avoid major source classification under 40 CFR Section 52.21 and Minn. R. 7007.3000; To avoid major source classification under 40 CFR Section 70.2 and Minn. R. 7007.020; Minn. R. 7007.0800, subp. 2 and 14
Monitoring Equipment: The Permittee shall install and maintain thermocouples to conduct temperature monitoring required by this permit. The monitoring equipment must be installed, in use, and properly maintained whenever operation of the monitored control equipment is required.	Minn. R. 7007.0800, subp. 4
The Permittee shall maintain a continuous hard copy readout or computer disk file of the temperature readings from the control device inlet.	Title I Condition: To avoid major source classification under 40 CFR Section 52.21 and Minn. R. 7007.3000; To avoid major source classification under 40 CFR Section 70.2 and Minn. R. 7007.020; Minn. R. 7007.0800, subp. 2 and 14
Daily Monitoring: The Permittee shall physically verify the operation of the temperature recording device at least once each operating day to verify that it is working and recording properly. The Permittee shall maintain a written record of the daily verifications.	Minn. R. 7007.0800, subps. 4 and 5
Each calendar month, the vapor collection system, the vapor processing system, and each loading rack handling gasoline shall be inspected during the loading of gasoline tank trucks for total organic compounds liquid or vapor leaks. For the purposes of this requirement, detection methods incorporating sight, sound, or smell are acceptable. Each detection of a leak shall be recorded and the source of the leak repaired within 15 calendar days after it is detected.	40 CFR Section 60.502(j); Minn. R. 7011.1550
Quarterly Inspections: At least once per calendar quarter, or more frequently if required by the manufacturer specifications, the Permittee shall inspect the control equipment internal and external system components. The Permittee shall maintain a written record of the inspection and any corrective actions taken resulting from the inspection.	Minn. R. 7007.0800, subps. 4, 5, & 14
Annual Calibration: The Permittee shall calibrate the thermocouples at least annually and shall maintain a written record of the calibration and any action resulting from the calibration.	Minn. R. 7007.0800, subps. 4, 5, & 14
Corrective Actions: If the temperature is above the maximum, or if the adsorber or any of its components are found during the inspections to need repair, the Permittee shall take corrective action as soon as possible. Corrective actions shall return the temperature to the specified limits/ranges and/or include completion of necessary repairs identified during the inspection, as applicable. Corrective actions include, but are not limited to, those outlined in the O & M Plan for the condenser. The Permittee shall keep a record of the type and date of any corrective action taken.	Minn. R. 7007.0800, subps. 4, 5, & 14
A record of each monthly leak inspection required under 40 CFR Section 60.502(j) shall be kept on file at the terminal for at least 2 years. Inspection records shall include, as a minimum, the following information: (1) Date of inspection; (2) Findings (may indicate no leaks discovered, or location, nature, and severity of each leak); (3) Leak determination method; (4) Corrective action (date each leak repaired, reasons for any repair interval in excess of 15 days); (5) Inspector name and signature.	40 CFR Section 60.505(c); Minn. R. 7011.1550

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Subject Item: **TK 013 Petroleum Products**

Associated Items: GP 002 Storage Tanks

What to do	Why to do it
The owner or operator of any storage vessel with a storage capacity of greater than 65,000 gallons for which construction was commenced after July 7, 1969, but prior to June 11, 1973, shall comply with the following requirements: (1) If the true vapor pressure of the petroleum liquid, as stored, is equal to or greater than 2.5 psia but not greater than 12.5 psia, the storage vessel shall be equipped with a floating roof, a vapor recovery system or their equivalents. (2) If the true vapor pressure of the petroleum liquid, as stored, is greater than 12.5 psia, the storage vessel shall be equipped with a vapor recovery system or its equivalent.	Minn. R. 7011.1505, subp. 2.C.

TABLE B: SUBMITTALS

Facility Name: Valero LP - Roseville Products Terminal

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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.

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 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

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.

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

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

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

TABLE B: ONE TIME SUBMITTALS OR NOTIFICATIONS

Facility Name: Valero LP - Roseville Products Terminal

Permit Number: 12300069 - 003

What to send	When to send	Portion of Facility Affected
Monitoring Plan	due 10 days before Sample Analysis (the first one required). The plan shall detail the prcedures that will be employed in using Method TO-3 as required for the monthly Sample Analysis. This plan shall be subject to MPCA revision and approval.	GP001
Notification	due 10 days after Resuming Operation of either unit listed in GP001.	GP001
Report	due 45 days after Sample Analysis (the first one). This report shall contain detailed sampling and analytical detail for the first sample analysis, in a format consistent with Minn. R. 7017.2035, subp. 3. The MPCA may require changes to the Monitoring Plan if review of this report shows deficiencies or errors in the test procedures.	GP001
Testing Frequency Plan	due 60 days after Performance Test for total organic compound emissions. The plan shall specify a testing frequency based on the test data and MPCA guidance. Future performance tests based on one-year (12 month), 36 month, and 60 month intervals, or as applicable, shall be required upon written approval of the MPCA.	EU001

TABLE B: RECURRENT SUBMITTALS

Facility Name: Valero LP - Roseville Products Terminal

Permit Number: 12300069 - 003

What to send	When to send	Portion of Facility Affected
Semiannual Deviations Report	due 30 days after end of each calendar half-year following Permit Issuance. 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 occured, the Permittee shall submit the report stating no deviations.	Total Facility
Compliance Certification	due 31 days after end of each calendar year following Permit Issuance (for the previous calendar year). To be submitted to the Commissioner on a form approved by the Commissioner. This report covers all deviations experienced during the calendar year.	Total Facility

Acrobat Document

APPENDIX C: **Insignificant Activities Required To Be Listed**
Facility Name: Valero LP - Roseville Products Terminal
Permit Number: 12300069-003

Insignificant Activities and Applicable Requirements

The table below lists the insignificant activities that are currently at the facility and their associated general applicable requirements. Under Minn. R. 7007.1250, subp. 1(A), the Permittee may add insignificant activities to the stationary source throughout the term of the permit without getting permit amendments. Certain exclusions apply and are listed in Minn. R. 7007.1250, subp.2.

Minn. R. 7007.1300, subpart	Rule Description of the Activity	Likely Applicable Requirement
3(I)	Individual emissions units at a stationary source, each of which have a potential to emit the following pollutants in amounts less than: 1. 4,000 lbs/year of carbon monoxide; and 2. 2,000 lbs/year each of nitrogen oxide, sulfur dioxide, particulate matter, particulate matter less than ten microns, volatile organic compounds (including hazardous air pollutant-containing VOC), and ozone. There are several small storage tanks that are insignificant under this item: TK009, TK014 – TK023, TK026 – TK033	Minn. R. 7011.1505 Minn. R. 7011.0710/0715
3(J)	Fugitive Emissions from roads and parking lots.	Minn. R. 7011.0150

TECHNICAL SUPPORT DOCUMENT
For
AIR EMISSION PERMIT NO. 12300069-003

This technical support document is intended for all parties interested in the permit and to meet the requirements that have been set forth by the federal and state regulations (40 CFR § 70.7(a)(5) and Minn. R. 7007.0850, subp.1). The purpose of this document is to provide the legal and factual justification for each applicable requirement or policy decision considered in the determination to issue the permit.

1. General Information

1.1. Applicant and Stationary Source Location:

Applicant/Address	Stationary Source/Address (SIC Code: 4613)
Kaneb Pipe Line Operating Partnership, L.P., a Valero L.P. Company 7340 West 21st Street North Suite 200 Wichita, KS 67205	2288 West County Road C Roseville Ramsey County
Contact: Suzanna McMillan Phone: (316) 773-9000	

1.2. Description of the Permit Action

The Roseville terminal is a 60 acre bulk terminal for petroleum products. The facility consists of 11 main product storage tanks, a vapor recovery unit (VRU), and a truck loading rack. The terminal began operation in 1947. The terminal receives petroleum products through a pipeline distribution network consisting of three pipelines. Petroleum products are shipped out to other terminals through one of the pipelines or to retailers and bulk stations through five tank truck loading spots. Product transfer from refineries to terminal and between terminals occurs on a continuous basis. The primary products handled are unleaded gasoline, No. 1 and No. 2 fuel oils, ethanol, and jet fuels. Volatile organic compound (VOC) emissions result primarily from loading trucks and from storage tank losses.

1.3 Description of any Changes Allowed with this Permit Issuance

No changes are authorized by this permit.

1.4 Permit History

Permit Number and Issuance Date	**Action Authorized**
772A-92-OT-2 April 30, 1992	Installation of new loading rack, and operation of existing facility (prior to Part 70 operating permit program).
12300069-001 (not issued)	Application for a State Operating Permit received in June 1996
Amendment 1 to 772A-92-OT-2 (not issued)	Applied for change to the schedule for submitting annual testing reports (1998). It was decided to make this change through the state operating permit.
Amendment 2 to 772A-92-OT-2	Change in ownership (from Amoco Oil Company to Kaneb Pipeline

Permit Number and Issuance Date	Action Authorized
April 9, 2003	Operating Partnership, L.P.)
No permit issued	Notification of installation of insignificant activities (6/20/05)
No permit issued	Administrative amendment application for change in facility ownership (to Valero Logistics Operations, L.P.) (6/30/05)
12300069-002 (not issued)	Application for Capped Permit, for which the facility was ultimately determined to not qualify (4/3/06)
12300069-003 (issue date TBD)	Update to June 1996 application for an individual permit (6/5/06)

1.5. Facility Emissions:

Table 1. Total Facility Emissions Summary

	CO tpy	NO_X tpy	VOC tpy	Single HAP tpy	All HAPs tpy
Total Facility Limited Potential Emissions	5.6	2.2	89.1	2.7	10.2
Total Facility Actual Emissions (2005)	0	0	45.5	HAPs not reported in emission inventory	

Table 2. Facility Classification

Classification	Major/Affected Source	Synthetic Minor	Minor
PSD		**X**	
Part 70 Permit Program		**X**	
Part 63 NESHAP			**X**

2. Regulatory and/or Statutory Basis

New Source Review

The facility is a non-major source under New Source Review, due to controls required by applicable New Source Performance Standards, and usage limits on the facility's two soil vapor extraction units.

Part 70 Permit Program

The facility is a non-major source under Part 70, due to controls required by applicable New Source Performance Standards, and usage limits on the facility's two soil vapor extraction units.

New Source Performance Standards (NSPS)

The gasoline loading rack is subject to NSPS Subpart XX, Standards of Performance for Bulk Gasoline Terminals.

National Emission Standards for Hazardous Air Pollutants (NESHAP)

The facility used the Emission Screening Equation in 40 CFR Section 63.420(a)(1) to show that they are not an affected source under 40 CFR pt. 63, Subpart R, National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations).

Compliance Assurance Monitoring (CAM)

CAM does not apply because this is not a Part 70 permit.

Minnesota State Rules

The following state standards of performance are applicable to certain units at the facility:

- Minn. R. 7011.1505, for storage vessels for which construction commenced after July 7, 1969 but before June 11, 1973.
- Minn. R. 7011.1550, incorporating NSPS Subpart XX

Table 3. Regulatory Overview of Facility

EU, GP, or SV	Applicable Regulations	Comments:
FC	40 CFR § 63.420(a)(1)	Screening equation used to show that the facility is not an affected source under 40 CFR pt. 63, Subpart R, National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations)
GP001	Title I conditions	Limits to avoid New Source Review.
EU001	Minn. R. 7011.1550/ NSPS Subpart XX	Standards of Performance for bulk Gasoline Terminals – applies to gasoline loading racks.
TK013	Minn. R. 7011.1505, subp. 2.C.	This storage tank was installed in 1971 and has a capacity greater than 65000 gallons.
TK001 – TK012	Minn. R. 7011.1505, subp. 1	There are no standards of performance promulgated for storage vessels for which construction was commenced prior to July 7, 1969. These storage tanks were all installed before 1951.

3. Technical Information

3.1 Calculations of Potential to Emit

Calculations were originally done by the Permittee and modified slightly by the MPCA.

The Emission Screening equation in 40 CFR § 63.420(a)(1) was used to show that the facility is not subject to the requirements of the MACT standard. Emission screening is considered a conservative estimate (or over-estimate) of the level of emissions; that is, if a screening method indicates that a source is a non-major HAP source, it is generally safe to assume that is true. Therefore, it is assumed that even though the previous permit and existing applicable requirements (NSPS Subpart XX) do not explicitly limit HAPs to non-major levels, the VOC controls already in place will effectively limit the HAPs at the same level as the VOC. In addition, providing further justification for assuming an equivalent level of control for HAPs, EPA's "Gasoline Distribution Industry (Stage I) – Background Information for Proposed Standards" January 1994, on page 4-20, indicates that the heavier aromatic HAPs, which make up most of the HAPs found in gasoline, would be controlled at a higher rate than the alkanes that make up the major (non-HAP) part of gasoline.

The Emission Screening calculations are included in the permit, as Appendix B. Copies of all of the calculations, including the Emission Screening calculations, are included in Attachment 1 of this technical support document.

3.2 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 4 summarizes the periodic monitoring requirements for those emission units for which the monitoring required by the applicable requirement is nonexistent or inadequate.

Table 4. Periodic Monitoring

Emission Unit or Group	Requirement (basis)	Additional Monitoring	Discussion
FC	Gasoline throughput < 2298660 gal/day Distillate throughput < 365257 gal/day (40 CFR § 420(a)(1))	Monthly recordkeeping and calculations	These are values assumed when solving the Emission Screening equation to determine applicability of the MACT standard. The gasoline throughput is used directly in the equation. The distillate throughput is not used directly in the equation; the equation uses non-gasoline service HAP emissions. The Permittee used 0.316 tpy non-gasoline HAPs, which is based on a throughput of 365257 gallons per day (the potential throughput). Monthly calculation was requested rather than daily, because the actual throughput ranges from 39-50% of capacity; the limits in the permit are the throughput capacity.
GP001	20 tons/year on a 12 month rolling sum basis (Title I limit)	Calculations as described in the permit	These units are not currently in use. Emissions from them are limited to a calculated rate, they will have to do some testing upon startup to determine some of the variables in the equation.

Emission Unit or Group	Requirement (basis)	Additional Monitoring	Discussion
TK013	Tank design must meet requirements described in rule (Minn. R. 7011.1505)	None	The requirement is the design of the tank, which requires no monitoring
EU001	35 mg/l loaded (NSPS Subpart XX) 8 mg/l loaded (Title I condition)	Performance Testing Proper O&M of the control equipment	

3.3 Insignificant Activities

The Valero Roseville Terminal has several tanks which are classified as insignificant activities. These are listed in Appendix C to the permit. The permit is required to include periodic monitoring for all emissions units, including insignificant activities, per EPA guidance. The insignificant activities at this Facility are only subject to general applicable requirements. Using the criteria outlined earlier in this TSD, the following table documents the justification why no additional periodic monitoring is necessary for the current insignificant activities.

Table 5. Insignificant Activities

Insignificant Activity	General Applicable Emission limit	Discussion
Individual units with potential emissions less than 2000 lb/year of certain pollutants	Minn. R. 7011.1505 Minn. R. 7011.0710/0715	These are several tanks at the facility which are 10,000 gallons or less. Depending on the size and age of an individual storage tank, the rules require certain construction features, which are not subject to monitoring. There are no applicable VOC emission limits. The potential VOC emissions from the smallest tank included in Table A (60,000 gallons) is approximately 0.4 tons per year. It follows that potential emissions from these smaller tanks would be less than that, and thus well below the threshold of 1 ton per year, and also well below the PM emission rates allowed by the Industrial Process Equipment Rule. Exceedance of the IPER rule is extremely unlikely.

Insignificant Activity	General Applicable Emission limit	Discussion
Fugitive Emissions from unpaved roads and parking lots	Requirement to take reasonable measures to prevent PM from becoming airborne (Minn. R. 7011.0150)	The Facility is located in the Metro area and has all paved parking lots and few private roads. Nearly all surfaces are currently paved.

3.4 Permit Organization

In general, the permit meets the MPCA Delta Guidance for ordering and grouping of requirements. Exceptions are as follows:

- GP002 does not appear in the permit as a group of units with common requirements. It is used only for purposes of reporting HAP emissions from storage tanks. It is allowable to report HAP emissions as a group because the facility is not a major source of HAPs.
- Use of appendices - While appendices are fully enforceable parts of the permit, in general, any requirement that the MPCA thinks should be tracked (e.g., limits, submittals, etc.), should be in Table A or B. The main reason is that the appendices are word processing sections and are not part of the tracking system. Violation of the appendices can be enforced, but the computer system will not automatically generate the necessary enforcement notices or documents. Staff must generate these.

3.5 Comments Received

Original Public Notice Period – November 16, 2006 – December 15, 2006 (did not get into the paper, so had to start over, actual public notice period ran November 19, 2006 – December 18, 2006.)

Comments were received from the Permittee during the public notice period. The comment pointed out a typographical error in the permit, and did not include adverse comments on any applicable requirements of the permit. The typographical error was corrected prior to permit issuance. No other comments were received, and no other changes were made.

4. Conclusion

Based on the information provided by Kaneb Pipeline/Valero, the MPCA has reasonable assurance that the proposed operation of the emission facility, as described in the Air Emission Permit No. 12300069-003 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: Toni Volkmeier (permit writer/engineer)
Scott Parr (enforcement)
Curt Stock (stack testing)
Amrill Okonkwo (peer reviewer)

Attachments:
1. PTE Summary Calculation Spreadsheets
2. Facility Description and CD-01 Forms