



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270-2102

December 4, 2020

TRANSMITTED VIA ELECTRONIC MAIL

Mr. William J. McConnell, President
KMTEX, LLC.
2450 South Gulfway Drive
Port Arthur, Texas 77641

bill.mcconnell@kmtex.com

RE: Alternative Monitoring Plan (AMP) – New Source Performance Standards (NSPS) for Volatile Organic Compound (VOC) Emissions From Synthetic Organic Chemical Manufacturing Industry (SOCMI) Distillation Operations (Subpart NNN) and Reactor Processes (Subpart RRR) – Distillation Units at the KMTEX LLC Chemical Processing Plant (KMTEX) located in Port Arthur, Texas.

Dear Mr. McConnell:

This letter is in response to your request dated October 7, 2020, pertaining to requirements for the vent streams from five distillation units (see Table. 1) at the KMTEX Facility, under NSPS Subpart NNN. Based upon the information provided, the United States Environmental Protection Agency (EPA) is approving your request for meeting Subpart RRR in lieu of Subpart NNN requirements for testing, monitoring, and record-keeping related specifically to use of cars seals on closed by-pass valves or lock-and-key systems rather than flow indicators for compliance with the standards of both Subparts. Please see our explanation provided below and our more detailed comparison of the NSPS Subparts in the Enclosure to this letter.

Table 1. Affected Distillation Units

Table with 1 column 'Distillation Units' and 5 rows: C-401, C-501, C-601, C-801, C-901

Specifically, your letter indicates that there are potential by-pass valves on the vent stream paths from the five distillation units to the plant flare. In order to comply with NSPS Subpart NNN, flow indicators would have to be installed at each valve. Your AMP proposes that requirements from NSPS Subpart RRR be used in lieu of NSPS Subpart NNN requirements. This would mean that flow indicators would not have to be installed at each valve, but that each will be treated as by-pass lines and under 40 CFR §60.703(b)(2)(ii), would have to be secured with a car-seal or lock-and-key type configuration. Each seal or closure mechanism would need

to be visually inspected monthly and maintained in the closed position so that the vent stream is not diverted through the closed line.

EPA approves your request to implement Subpart RRR monitoring provisions in 40 CFR §60.703(b)(2)(ii) in lieu of complying with the monitoring provisions of 40 CFR §60.663(b)(2) under Subpart NNN. In addition, KMTEX must also comply with the associated record keeping requirements of 40 CFR §60.705(d)(2), §60.705(l)(7), 40 CFR §60.705(s) in your initial report, including schematic diagrams of the affected vent streams, collection system(s), fuel systems, control devices, and bypass systems, to the state agency and maintain a copy onsite for the life of the system to ensure that the affected vent streams are routed to appropriate control devices under this approval.

This approval is based upon the information submitted in your request for the five distillation units identified within this letter. This approval is consistent with previous determinations made by EPA for Subpart NNN affected facilities and is consistent with our detailed comparison of Subpart NNN and Subpart RRR requirements provided as an Enclosure to this letter. If any new information becomes available or process unit operations are changed, this determination may become void and a new determination may be necessary. The EPA acknowledges that the COVID-19 pandemic may impact your business. If that is the case, please contact us regarding any specific issues you need to discuss. If you have any questions or concerns about this determination, please feel free to contact Mr. Justin Chen of my staff at (214) 665-2273.

Sincerely,

STEVEN
THOMPSON

Digitally signed by STEVEN THOMPSON
DN: c=US, o=U.S. Government, ou=Environmental
Protection Agency, cn=STEVEN THOMPSON,
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Date: 2020.12.04 14:26:05 -06'00'

Steve Thompson,
Chief
Air Enforcement Branch

Enclosure

cc: Sarah Kirksey, TCEQ Region 10, sarah.kirksey@tceq.texas.gov
Paula Biewer, KMTEX LLC, paula.biewer@kmtex.com

Enclosure

Comparison of 40 CFR Part 60 Subparts NNN and RRR

For

Flares and Boilers/Process Heaters

The performance standards of §60.662 (Subpart NNN) and §60.702 (Subpart RRR) are established to minimize the emissions of volatile organic compounds (VOC) through the application of best demonstrated technology (BDT). Therefore, different technology controls have different testing, monitoring, and reporting requirements.

When a flare is used to seek compliance with either §60.662(b) or §60.702(b), both Subparts NNN and RRR require that the flare meet the requirements of §60.18 {see same requirement under testing at §60.664(d) and §60.704(c)}. Monitoring requirements are similar, except Subpart RRR includes monitoring flow diverted *from the flare to the atmosphere* via a bypass line {see §60.703 (b)(2)} while Subpart NNN requirements include monitoring vent streams *routed to each flare* prior to being combined with other gases {see §60.662 (b)(2)}. Therefore, Subpart RRR requires recording the flow rate more frequently (every 15 minutes) than Subpart NNN (every hour).

When a boiler or process heater is used to seek compliance with §60.662(a) and §60.702(a), the testing, monitoring, and recordkeeping requirements differ between Subparts NNN and RRR. EPA's rationale for waiving performance testing, temperature monitoring, and for refining the location and monitoring of flow indicators can be found on pages 45957 through 45959 in the Federal Register preamble to NSPS Subpart RRR (58 FR 45948 August 31, 1993). In general, Subpart RRR provides consideration of vent gases that are mixed with other gaseous streams and used as a *primary fuel* for the boiler(s) or process heater(s) whereas Subpart NNN does not address such primary fuel systems. Also, Subpart RRR addresses vent gas flows diverted *away from* a boiler(s) or process heater(s) via a bypass line(s) to the atmosphere whereas Subpart NNN merely addresses vent gases as *routed to* boilers or process heaters. For this reason, Subpart RRR requires recording the flow rate more frequently (every 15 minutes) in comparison to Subpart NNN (every hour). Specific citation comparisons are relevant as follows:

Specific to testing, both Subpart NNN §60.664(b)(5) and Subpart RRR §60.704(b)(5) waive the initial performance test requirement when a boiler or process heater with a design heat input capacity of 150 MBtu/hour or greater is used to comply with §60.662(a) and 60.702(a), respectively. Subpart RRR §60.704(b)(5) also waives the requirement for an initial performance test when a vent stream is *introduced with the primary fuel* into a boiler or process heater, regardless of heat input capacity.

Specific to monitoring, both Subpart NNN §60.663(c) and Subpart RRR §60.703(c) outline requirements for locating and monitoring vent gas flow indicators as well as monitoring firebox temperature. However, Subpart RRR §60.703(c)(1)(ii) waives the need for a flow indicator where bypass line valves to the atmosphere are secured in a closed position with a lock-and-key type configuration. Also, Subpart RRR §60.703(c)(2) exempts the temperature monitoring requirement for any vent stream *introduced with the primary fuel* into a boiler or process heater.

Since Subpart RRR provides some relief in testing and monitoring requirements in comparison to Subpart NNN, as discussed above, an additional reporting requirement was deemed necessary. In order to ensure that the affected vent streams are being routed to appropriate control devices, Subpart RRR §60.705(s) requires that the facility maintain on file a schematic diagram of the affected vent streams, collection system(s), fuel systems, control devices, and bypass systems as part of the initial report submitted in accordance with §60.705(b). This additional reporting requirement (not required in Subpart NNN) is further discussed in the Federal Register preamble referenced above.