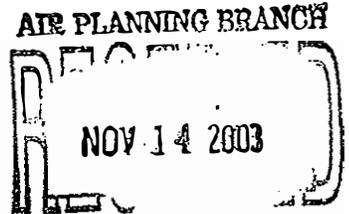




UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590



NOV 06 2003

REPLY TO THE ATTENTION OF:

EPA-REGION 5  
ATLANTA, GA.

(AR-18J)

Don Smith, Supervisor  
Majors Air and Construction Section  
Majors and Remediation Division  
Minnesota Pollution Control Agency  
520 Lafayette Road  
St. Paul, Minnesota 55155-4194

Dear Mr. Smith:

I am writing with respect to your letter of June 18, 2003, concerning a Prevention of Significant Deterioration (PSD) applicability determination for Williams Pipeline L.L.C. (Williams). In your letter you request the United States Environmental Protection Agency (EPA) determine if a gasoline/fuel terminal is considered to be one of the 28 source categories subject to the 100 ton per year major source threshold under PSD.

40 CFR 52.21 (b)(1)(i)(a) includes "petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels" as one of the 28 source categories. A February 18, 1998, letter from R. Douglas Neeley, Chief, Air and Radiation Technology Branch, Air, Pesticides and Toxics Management Division, Region 4, to Chun-chi S. Liu, Mecklenburg County Department of Environmental Protection indicates that this source category is limited to crude oil storage and transfer. After reviewing additional relevant information, however, we believe the opinion in the February 18, 1998, letter should be expanded. We have concluded that this source category refers to the storage and transfer of "petroleum liquids," not "petroleum" alone. "Petroleum liquids" is defined in 40 CFR 60 subpart K and subpart Ka as "petroleum, condensate, and any finished or intermediate products manufactured in a petroleum refinery but does not mean Nos. 2 through 6 fuel oils as specified in ASTM D396-78, gas turbine fuel oils Nos. 2-GT through 4-GT as specified in ASTM D2880-78, or diesel fuel oils Nos. 2-D and 4-D as specified in ASTM D975-78."

First, "petroleum storage and transfer units" would fall under the Standard Industrial Classification code 5171 "Petroleum Bulk Stations and Terminals." SIC 5171 includes "establishments primarily engaged in the wholesale distribution of crude petroleum and petroleum products, including liquefied petroleum gas, from bulk liquid storage facilities." Second, the Congressional Record for the 1977 Clean Air Act Amendments indicates that the 28 source categories were selected from a list of 190 types of sources listed in a report of the Research Corp. of New England. That list of source types is included in the Congressional Record. "Petroleum storage and transfer" is listed under "Evaporation Loss Sources" and includes

nonpipeline transfer (tank cars, trucks, and marine), refueling motor vehicles, service stations, and tank storage. These activities encompass the storage and transfer of materials other than crude oil. Finally, there is relevant information in the "Proposed Guidelines for Best Available Retrofit Technology (BART) Determinations Under the Regional Haze Regulations," published in the Federal Register on July 20, 2001. The source categories for the BART requirement are the same categories identified for PSD. Clarification of "petroleum storage and transfer facilities with a capacity exceeding 300,000 barrels" is provided in this notice. According to this notice, "petroleum storage and transfer" includes storage and transfer of "gasoline and other petroleum-derived liquids." (66 FR 38118).

After reviewing this information, we have concluded that a gasoline/fuel terminal with a storage capacity exceeding 300,000 barrels is one of the 28 listed source categories, and is subject to the 100 ton per year major source threshold.

If you have any question with respect to this letter, please contact Rachel Rineheart of my staff at (312) 886-7017.

Sincerely,

A handwritten signature in black ink that reads "Pamela Blakley". The signature is written in a cursive, flowing style.

Pamela Blakley, Chief  
Air Permits Section

cc: James Little, Region 4