

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF AIR QUALITY

**COMMENT AND RESPONSE DOCUMENT
ON
DRAFT TITLE V OPERATING PERMIT:
Energy Transfer Marketing & Terminals, L.P. (ETMT)
TVOP-23-00119**

A notice for ETMT was published in the *Pennsylvania Bulletin* on October 14, 2023. DEP held a public hearing on November 14, 2023 at the Marcus Hook Municipal Building. Two comments were received during the public meeting. The public comment period ended November 24, 2023 (10 days after the public hearing). DEP did not receive any other public comments.

EPA submitted comments on November 13, 2023 – please see *Attachment #1*.

ETMT submitted responses to EPA's comments on November 16, 2023 – please see *Attachment #2*.

EPA Comments and Responses

Comment #1:

Redacted Permit.

A copy of the document submitted for approval and incorporation by reference into a SIP is required for SIP completeness (40 CFR Part 51 - App. V 2.1(d)). We recommend making this document available at the time of notice to clarify the exact conditions to be incorporated and avoid discrepancies that may affect approvability.

Response:

In accordance with 40 CFR Part 51 - App. V 2.1(d), DEP will submit a redacted final permit.

Comment #2:

Compliance. §129.114(d)(6), §129.92(a)(7), and §129.115 require inclusion of methods for compliance in RACT proposals. Please discuss how compliance will be demonstrated for these requirements, including all testing, monitoring, and recordkeeping, as RACT in the permit and SIP revision.

On review memo page 9, final few paragraphs of section VI on Case-by-Case RACT III Analysis, permit conditions listed for each source ID are not consistent with Step 5 proposed conditions for all source IDs discussed in earlier of the section. For example, for source ID 112, step 5, ETMT has proposed to continue the use of good operating practices as RACT. To this end, ETMT has proposed to continue operating the vapor balancing system/MVR system in compliance with Condition #s 010–013, Section D (under Source ID 112), of the previously-modified TVOP. However, on review memo page 9, for New cooling towers, Condition #s 008–010, Section D (under Source ID 112), of the previously-modified TVOP. Please resolve the discrepancy for all the case-by-case sources.

To increase clarity, EPA recommend adding a table to summarize RACT requirements for all sources subject to case-by-case RACT III.

Response:

For clarification, DEP made a mistake in step #5 for source ID 112. The step 5 for source ID 112 in the review memo has been revised as follows:

“ETMT has proposed to continue the use of good operating practices, including non-contact design and a heat exchanger LDAR program, as RACT.”

In accordance with 25 Pa. Code §§129.114 (d)(6) and 129.115, the RACT proposal methods for demonstrating compliance and recordkeeping are found under source 112, conditions 8–10.

Comment #3:

Procedural Issues. SIP completeness regulations 40 CFR Part 51 - App. V 2.1(e) require “evidence that the State followed all of the procedural requirements of the State's laws and constitution in conducting and completing the adoption/issuance of the plan”. Per the procedures for establishing case-by-case RACT at 25 Pa. Code §129.114(e), the Department must review and provide in writing whether the Department finds a facility

proposal meets the requirements of §129.114(d). Please provide documentation of the Department's stance on whether ETMT's proposal meets the requirements as well as justification for its decision.

On review memo page 5 footnote #11 states that "The "top-down" analysis conducted by ETMT follows the format of the Best Available Control Technology (BACT) analysis required for pollutants subject to PSD requirements. As BACT is more stringent than RACT, DEP consents to this approach. The BACT analysis process involves the same five steps, except that Step 4 includes consideration of the energy, environmental, and economic impacts."

However, review memo page 5 also states that "..., for each source subject to case-by-case RACT III to satisfy the following five-step RACT analysis process indicated in 25 Pa. Code § 129.92(b): ...". It is confusing whether the analysis followed the case-by-case RACT procedures established in 25 Pa. Code §129.92. Depends on when the BACT analysis is conducted, it may not necessarily be more stringent than RACT as required in §129.92. Please clarify the procedures used in analysis for RACT III case-by-case sources to ensure 129.92 is followed.

Response:

To resolve any confusion, DEP has reworded both the footnote for the first paragraph, as well as the last paragraph, of the *Case-by-Case RACT III Analysis* section as follows:

Footnote 12 for first paragraph: "The 'top-down' analysis conducted by ETMT follows the format of the Best Available Control Technology (BACT) analysis required for pollutants subject to PSD requirements. The BACT analysis process involves the same five steps, except that Step 4 includes consideration of the energy, environmental, and economic impacts. DEP considers the BACT analysis conducted by ETMT to be at least as stringent as a RACT analysis. Therefore, DEP consents to ETMT's approach."

Last paragraph: "Therefore, in accordance with 25 Pa. Code § 129.114(e)(1)–(2), respectively, DEP has '[r]evie[w]ed the timely and complete alternative RACT [III] proposal[, as] submitted in accordance with [25 Pa. Code § 129.114](d),' and, except as discussed in the last paragraph of the *Summary of RACT III Requirements for Each Source* section, above, 'is satisfied that the alternative RACT [III] proposal complies with the requirements of [25 Pa. Code § 129.114](d) and ... [constitutes] RACT for the [above] air contamination source[s].'
Accordingly, compliance with the above TVOP conditions assures compliance with case-by-case RACT III, and there are no changes to the TVOP conditions (or condition numbers). [Note: To highlight the fact that the TVOP conditions satisfy RACT III requirements, DEP has added additional authority citations to 25 Pa. Code §§ 129.111–129.115 to each of the conditions.]"

Comment #4:

Typos.

A). On review memo page3 footnote #6 stating compliance review date December 14,2023. Is this a typo? Is this referring to December 14, 2022?

B). On review memo page 4 Section V states Table A-1 RACT III applicability for NOx-emitting sources (includes all types except case-by-case). But on page 29 and page 40, Table A-1 does include case by case RACT. Please clarify.

Response:

4A. DEP agrees, the date has been changed to December 14, 2022 in footnote #6.

4B. DEP has added attachment pages to clearly indicate where attachments to the present technical review memo begin.

Comment #5:

Unresolved NOV. On review memo page 11-12 Appendix A, there are two unresolved violations from the facility. Since the permit action is RACT III significant modification of Title V permit, NOV need to be resolved or a compliance schedule is required before a new permit can be issued.

Response:

DEP has updated Appendix A to indicate that, for any violations that DEP has referred for enforcement action but not yet assessed a penalty, ETMT has taken corrective action(s) to address these.

Comment #6:

Actual Emissions. §129.92(a)(4) requires PTE and actual emissions for each source. Table on review memo page 2 listed PTE for case-by-case sources, but actual emissions estimate is not documented in the record.

Response:

ETMT has provided the 2022 actual emissions in their response to EPA's comments. DEP has added a column for the actual emissions as follows:

Source ID(s)	Source Name	VOC PTE	VOC Actual
102 & 104-105	Refrigerated Propane Tank (500K BBL), Marine Vessel Loading (refrigerated), Cavern	6.14	1.81
103	NSPS Subpart VVa Fugitive Equipment Leaks	82.35	6.42
106A	Demethanizer	3.04	0.22
111	Natural Gasoline Loading Rack	5.06	0.37
112	New Cooling Towers	14.72	9.36
119-120	Refrigerated Propane Storage Tanks (900K & 589K BBL)	11.58	1.56

Comment #7:

Other recommendations. To increase clarity of the review memo, following changes are recommended.

A). Attachment numbering is confusing. There are two sets of Table A-1 to A-4 on page 29-38 and page 41-49. Please clarify the purpose of using both sets of tables and make it easier to understand.

B). On review memo page 32, Table A-2, RACT 2= 3 sources are still referred to as case by case. PADEP needs to differentiate these sources with RACT III case by case sources. As a general comment, the sources subject to

case by case, RACT II=RACT III, or sources subject to presumptive RACT III should be made clearer in the review memo.

Response:

7A. please see DEP response to 4b, above.

7B. 25 Pa. Code §129.114(i)– relates to RACT 2 = 3 , 25 Pa. Code §129.114(c) relates to case by case. DEP believes the right citations are used within the tables.

Public Comments

(Note: As transcribed from the public hearing on November 14, 2023)

Comment #1:

Joe Massaro: Okay, thank you. All right, my name is Joe Massaro, and I'm Lead Specialist in Public Affairs for Energy Transfer based here at our Marcus Hook Terminal. This facility aids in the processing, transport and delivery of American-produced energy to local markets and beyond. I'm here tonight to provide comment on Pennsylvania's latest iteration of Reasonably Available Control Technology standards or RACT. RACT standards are technology-based with the objective of driving the application of reasonably available air pollution control technology to achieve emission reductions from existing sources. This specifically applies to sources of NOx and VOCs—VOC emissions that were in existence on or before August 3rd, 2018. As required by the rule, Energy Transfer's Marcus Hook Terminal submitted its initial RACT compliance analysis on December 9th, 2022. Because several sources required a case-by-case analysis, Energy transfer submitted its RACT III alternative compliance proposal and a signification [*sic*] operating permit modification application to the Pennsylvania Department of Environmental Protection on December 20th, 2022. Energy Transfer has historically and continues to deploy the best available technology to our processes at Marcus Hook Terminal. This is evident through a significant decrease in emissions from the facility over the last decade since we've transformed it from an oil refinery to a natural gas liquid hub.

For example, VOC emissions decreased by 62% from 432 tons in 2010 to 165 tons in 2022. And NOx emissions decreased by 96% from 1,439 tons in 2010 to 59 tons in 2022. As noted in our application, Energy Transfer's Marcus Hook Terminal Title V permit conditions currently meet or exceed the RACT III standard set forth by DEP. The approval of Energy Transfer's RACT III alternative compliance proposal and signification [*sic*] operating permit modification application will allow Energy Transfer to continue operating safely here in the Commonwealth and be a net benefit to local communities through the millions of dollars paid in school taxes, the 250-plus jobs at the Marcus Hook Terminal, and the ancillary benefits felt by all local businesses in the area. Thanks.

Response: Thank you for appearing in person and providing this comment. The emission inventory that was provided is public record and can be found at Air Quality Reports at www.dep.pa.gov/DataandTools/Reports/Pages/Air-Quality-Reports.aspx.

Comment #2:

Lorraine Daliessio: Lorraine Daliessio, I'm a resident of Marcus Hook. I attended the meeting that was held in Boothwyn. I appreciate the fact that you're again providing an opportunity for people to have their opinion out. I did submit a letter. I'm not against them putting the facility here. I do believe that they will use the most up to date equipment, but I want it to be continually monitored. I understand from what was said at that last meeting that the EPA has two teams working on studying it. I was a little disappointed that people had been given the wrong information about the last meeting, and there were a lot of people there from out of town who thought that there was a decision going to be made about where to put an LNG plant, and it wasn't, and it's not an LNG plant. And as Joe McGinn from Sun Oil/Energy Transfer said, has nothing to do with LNG.

The people of Marcus Hook, residents, depend on the facilities for taxes. And they've also been great neighbor partners in supporting all of our activities. And, of course, I believe that our streets should be paved in gold because we do put up with them—with Energy Transfer and the other facilities. But we do have good neighbor relations, and like I said, I did already submit a letter, and I actually copied in Joe and these ladies here, these are Marcus Hook Council. So I copied them into the letter that I sent. But I appreciate that you're providing another opportunity for people to speak up.

Response: Thank you for appearing in person and providing this comment. DEP will address all the comments and concerns regarding Plan Approval No. 23-0119K in a separate document.

EPA Comments on Pennsylvania Significant Modification

Energy Transfer Marketing & Terminals, L.P.—Marcus Hook Terminal

November 13, 2023

I. PERMIT SUMMARY

This permit action is a significant modification for Energy Transfer Marketing & Terminals, L.P. (ETMT)—Marcus Hook Terminal Facility. ETMT owns and operates the Marcus Hook Terminal (MHT), its petroleum terminal and natural gas liquids (NGLs) processing, storage, and distribution facility located in Marcus Hook Borough, Delaware County, PA. The action is noticed as a draft permit modification and State Implementation Plan revision to establish Reasonably Available Control Technology Requirements (RACT) under the 2015 ozone NAAQS.

This permit is being processed sequentially, i.e., a proposed permit should be submitted to EPA with a Response to Comments. The day EPA receives the revised proposed permit would be Day 1 of EPA's 45-day review. Please note that the issues identified in the comments below, if not adequately addressed, could jeopardize SIP approvability or completeness if/when submitted to EPA as a SIP revision.

II. COMMENTS

1). **Redacted Permit.** A copy of the document submitted for approval and incorporation by reference into a SIP is required for SIP completeness (40 CFR Part 51 - App. V 2.1(d)). We recommend making this document available at the time of notice to clarify the exact conditions to be incorporated and avoid discrepancies that may affect approvability.

2). **Compliance.** §129.114(d)(6), §129.92(a)(7), and §129.115 require inclusion of methods for compliance in RACT proposals. Please discuss how compliance will be demonstrated for these requirements, including all testing, monitoring, and recordkeeping, as RACT in the permit and SIP revision.

On review memo page 9, final few paragraphs of section VI on Case-by-Case RACT III Analysis, permit conditions listed for each source ID are not consistent with Step 5 proposed conditions for all source IDs discussed in earlier of the section. For example, for source ID 112, step 5, ETMT has proposed to continue the use of good operating practices as RACT. To this end, ETMT has proposed to continue operating the vapor balancing system/MVR system in compliance with Condition #s 010–013, Section D (under Source ID 112), of the previously-modified TVOP. However, on review memo page 9, for New cooling towers, Condition #s 008–010, Section D (under Source ID 112), of the previously-modified TVOP. Please resolve the discrepancy for all the case-by-case sources.

To increase clarity, EPA recommend adding a table to summarize RACT requirements for all sources subject to case-by-case RACT III.

3). **Procedural Issues.** SIP completeness regulations 40 CFR Part 51 - App. V 2.1(e) require “evidence that the State followed all of the procedural requirements of the State's laws and constitution in conducting and completing the adoption/issuance of the plan”. Per the procedures for establishing case-by-case RACT at 25 Pa. Code §129.114(e), the Department must review and provide in writing whether the Department finds a facility proposal meets the requirements of §129.114(d). Please provide documentation of the Department’s stance on whether ETMT’s proposal meets the requirements as well as justification for its decision.

On review memo page 5 footnote #11 states that “The “top-down” analysis conducted by ETMT follows the format of the Best Available Control Technology (BACT) analysis required for pollutants subject to PSD requirements. As BACT is more stringent than RACT, DEP consents to this approach. The BACT analysis process involves the same five steps, except that Step 4 includes consideration of the energy, environmental, and economic impacts.”

However, review memo page 5 also states that “..., for each source subject to case-by-case RACT III to satisfy the following five-step RACT analysis process indicated in 25 Pa. Code § 129.92(b): ...”. It is confusing whether the analysis followed the case-by-case RACT procedures established in 25 Pa. Code §129.92. Depends on when the BACT analysis is conducted, it may not necessarily be more stringent than RACT as required in §129.92. Please clarify the procedures used in analysis for RACT III case-by-case sources to ensure 129.92 is followed.

4). **Typos.**

A). On review memo page3 footnote #6 stating compliance review date December 14,2023. Is this a typo? Is this referring to December 14, 2022?

B). On review memo page 4 Section V states Table A-1 RACT III applicability for NO_x-emitting sources (includes all types except case-by-case). But on page 29 and page 40, Table A-1 does include case by case RACT. Please clarify.

5). **Unresolved NOV.** On review memo page 11-12 Appendix A, there are two unresolved violations from the facility. Since the permit action is RACT III significant modification of Title V permit, NOV need to be resolved or a compliance schedule is required before a new permit can be issued.

6). **Actual Emissions.** §129.92(a)(4) requires PTE and actual emissions for each source. Table on review memo page 2 listed PTE for case-by-case sources, but actual emissions estimate is not documented in the record.

7). **Other recommendations.** To increase clarity of the review memo, following changes are recommended.

A). Attachment numbering is confusing. There are two sets of Table A-1 to A-4 on page 29-38 and page 41-49. Please clarify the purpose of using both sets of tables and make it easier to understand.

B). On review memo page 32, Table A-2, RACT 2= 3 sources are still referred to as case by case. PADEP needs to differentiate these sources with RACT III case by case sources. As a general comment, the sources subject to case by case, RACT II=RACT III, or sources subject to presumptive RACT III should be made clearer in the review memo.

Prepared by:
Yongtian He
He.Yongtian@epa.gov
EPA Region 3
Air and Radiation Division
Permits Branch 3AD10



Via Email

November 16, 2023

Mr. David Smith
Engineering Specialist
Pennsylvania Department of Environmental Protection
2 East Main Street
Norristown, PA 19401

**Re: Energy Transfer Marketing & Terminals L.P. – Marcus Hook Terminal
Title V Operating Permit 23-00119
Response to EPA Comments to RACT III Proposal**

Dear Mr. Smith,

Energy Transfer Marketing & Terminals L.P.’s (ETMT’s) comments to the United States Environmental Protection Agency (EPA) comments to ETMT’s RACT III Alternative Compliance Proposal and Signification Operating Permit Modification Application for the Marcus Hook Terminal are summarized below.

1). Redacted Permit

ETMT has no comment.

2). Compliance

ETMT will demonstrate compliance with the RACT proposal by complying with the TVOP conditions outlined in the table below. ETMT will submit an Annual Certificate of Compliance in accordance with Section C, Condition #022 of the TVOP documenting compliance with these permit terms and conditions.

Source Name (ID)	Testing	Monitoring	Recordkeeping	Good Operating Practices
Refrigerated Propane Storage Tanks (102, 119, and 120)	N/A	N/A	#001-003	#006
NSPS Subpart VVa (103)	#001	#002-004; 014-024	#005-006	#008-013
Marine Vessel Loading (refrigerated) (104)	N/A	#001-002	#003	#004-005
Cavern (105)	N/A	#001	#002	#005-008
Natural Gasoline Loading Rack (111)	N/A	#002	#003	#004-006
New Cooling Towers (112)	#003	#004-007	#008-009	#010-013

Step 5 at the top of page 9 for the New Cooling Towers (Source ID 112) mistakenly references the vapor balancing system/MVR system as RACT. Step 5 should state, “ETMT has proposed to continue the use of good operating practices, including non-contact design and a heat exchanger LDAR program, as RACT. To this end, ETMT has proposed to continue following good operating practices and conducting LDAR monitoring in compliance with Condition #s 003, 010–013, Section D (under Source ID 112), of the previously-modified TVOP.”

ETMT put together the table above to summarize the RACT requirements for all sources subject to case-by-case RACT III. ETMT suggest that the Department review the table for accuracy then update the Step 5 analyses and final few paragraphs of Section VI to match the table. In the review memo, the Step 5 analyses reference the good operating practices TVOP conditions, and the final few paragraphs of Section VI reference the recordkeeping TVOP conditions. EPA seems to be confused by this approach and requested clarity through the inclusion of a table.

3). Procedural Issues

The Department should revise *Section X. Conclusion* on page 10 of the review memo to clearly state that ETMT’s proposal meets the requirements of §129.114(d). Justification for this conclusion could include the following.

1. ETMT’s proposal was submitted on December 20, 2022, which was before the deadline of December 31, 2022.
2. ETMT’s RACT proposal included alternate RACT requirements developed in accordance with the procedures in § 129.92(a)(1) - (5) and (b).
3. ETMT proposed to comply with its existing TVOP requirements in its RACT proposal; therefore, ETMT has already implemented the RACT requirements.
4. The Department agrees that the existing TVOP requirements in ETMT’s RACT proposal meet or exceed RACT based on the top-down analysis completed by ETMT and reviewed by the Department.

ETMT recommends revising the first paragraph of *Section VI. Case-by-Case RACT III Analysis* to address EPA comments to ensure 129.92 is followed. Suggested text is provided below.

ETMT performed an alternative RACT analyses for the affected emissions sources included herein in accordance with 25 Pa. Code §129.92(b) by conducting a "top-down" analysis, where applicable, as outlined in the United States Environmental Protection Agency (U.S. EPA) *Draft New Source Review Workshop Manual*, dated October 1990. As part of these RACT analyses, searches were performed using the U.S. EPA RACT/Best Available Control Technology (BACT)/Lowest Achievable Emissions Rate (LAER) Clearinghouse (RBLC) to identify potential air pollution control strategies for the case-by-case sources. ETMT included the following five-step RACT analysis as indicated in 25 Pa. Code §129.92(b) for each source subject to the case-by-case RACT III analysis...

4). Typos.

ETMT has no comments.

5). Unresolved NOV

On review memo page 11-12 Appendix A, there are two unresolved violations from the facility; however, both NOVs have been corrected and resolved. ETMT responded to the NOV dated August 17, 2023, on August 24, 2023, with a detailed corrective action plan. ETMT responded to the NOV dated September 29, 2023, on October 11, 2023, with a detailed corrective action plan. If the Department needs any additional information to resolve these NOVs, please let us know.

6). Actual Emissions

ETMT added a column to the table below with actual emissions from 2022.

Source ID(s)	Source Name	VOC PTE	VOC Actual
102 & 104-105	Refrigerated Propane Tank (500K BBL), Marine Vessel Loading (refrigerated), Cavern	6.14	1.81
103	NSPS Subpart VVa Fugitive Equipment Leaks	82.35	6.42
106A	Demethanizer	3.04	0.22
111	Natural Gasoline Loading Rack	5.06	0.37
112	New Cooling Towers	14.72	9.36
119-120	Refrigerated Propane Storage Tanks (900K & 589K BBL)	11.58	1.56

7). Other Recommendations

Tables A-1 through A-4 on pages 29-38 and pages 41-49 are the same tables, just with different areas of information highlighted. This does not seem confusing to ETMT and is clearly indicated in the review memo.

If you have any questions regarding this submittal, please feel free to contact me at 610-859-1279.

Sincerely,

Kevin W Smith

Kevin W. Smith
Sr. Specialist – Environmental Compliance