

STATEMENT OF BASIS

For the issuance of Air Permit # 2036-AR-2 AFIN: 14-00448

1. PERMITTING AUTHORITY:

Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317

2. APPLICANT:

Delek Logistics Operating, LLC - El Dorado Pipeline Company
800 Columbia Road 25
Magnolia, Arkansas 71753

3. PERMIT WRITER:

Kyle Crane

4. NAICS DESCRIPTION AND CODE:

NAICS Description: Pipeline Transportation of Crude Oil
NAICS Code: 486110

5. ALL SUBMITTALS:

The following is a list of ALL permit applications included in this permit revision.

Date of Application	Type of Application (New, Renewal, Modification, Deminimis/Minor Mod, or Administrative Amendment)	Short Description of Any Changes That Would Be Considered New or Modified Emissions
2/15/2018	Deminimis	Installation of new tank (T-2018)

6. REVIEWER'S NOTES:

Delek Logistics Operating, LLC operates the El Dorado Pipeline Company located in Magnolia, Arkansas. With this modification, the facility is requesting to install a new 116,000 bbl external floating roof tank (T-2018), update insignificant activity calculations to account for additional valves, connectors, and pumps associated with the new tank, and remove individual HAP limits for all sources, following ADEQ's current Non-Criteria Air Pollutant Strategy. The permit's general conditions were also updated. Annual permitted emissions increase by 6.7 tpy of VOC. Annual permitted total HAP emissions are set at 3.74 tpy.

7. COMPLIANCE STATUS:

The following summarizes the current compliance of the facility including active/pending enforcement actions and recent compliance activities and issues.

This facility was last inspected on June 28, 2016, and was found to be in compliance.

8. PSD/GHG APPLICABILITY:

a) Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, etc.)? N
 If yes, were GHG emission increases significant? N

b) Is the facility categorized as a major source for PSD? N

- *Single pollutant ≥ 100 tpy and on the list of 28 or single pollutant ≥ 250 tpy and not on list*

If yes for 8(b), explain why this permit modification is not PSD.

9. SOURCE AND POLLUTANT SPECIFIC REGULATORY APPLICABILITY:

Source	Pollutant	Regulation (NSPS, NESHAP or PSD)
SN-01, 2013, and 2018	VOC	NSPS Kb

10. PERMIT SHIELD – TITLE V PERMITS ONLY:

Did the facility request a permit shield in this application? N

(Note - permit shields are not allowed to be added, but existing ones can remain, for minor modification applications or any Regulation 18 requirement.)

If yes, are applicable requirements included and specifically identified in the permit? N

If not, explain why.

For any requested inapplicable regulation in the permit shield, explain the reason why it is not applicable in the table below.

Source	Inapplicable Regulation	Reason
N/A		

11. EMISSION CHANGES AND FEE CALCULATION:

See emission change and fee calculation spreadsheet in Appendix A.

12. AMBIENT AIR EVALUATIONS:

Include the results for any ambient air evaluations or modeling. Include NSR/PSD permits and permits that require an evaluation in accordance with revisions to the Arkansas State Implementation Plan, National Ambient Air Quality Standards, Infrastructure SIPs and NAAQS SIP per Ark Code Ann. § 8-4-318, dated March 2017 and the ADEQ Air Permit Screening Modeling Instructions.

a) NAAQS

A NAAQS evaluation is not required under the Arkansas State Implementation Plan, National Ambient Air Quality Standards, Infrastructure SIPs and NAAQS SIP per Ark Code Ann. § 8-4-318, dated March 2017 and the ADEQ Air Permit Screening Modeling Instructions

b) Non-Criteria Pollutants:

Based on Department procedures for review of non-criteria pollutants, emissions of non-criteria pollutants are below thresholds of concern.

c) H₂S Modeling:

A.C.A. §8-3-103 requires hydrogen sulfide emissions to meet specific ambient standards. Many sources are exempt from this regulation, refer to the Arkansas Code for details.

Is the facility exempt from the H₂S Standards Y
 If exempt, explain: The facility does not emit H₂S

13. CALCULATIONS:

SN	Emission Factor Source (AP-42, testing, etc.)	Emission Factor (lb/ton, lb/hr, etc.)	Control Equipment	Control Equipment Efficiency	Comments
01	AP-42 7.1.3 (2.1)	Formula lb/year	Seals as specified in 60.112b(a)(2)	Unknown	External Floating Roof
337	TANKS 4.0.9d	0.06 MMgal/yr	-	-	Vertical Fixed Roof
435		36.25 MMgal/yr	-	-	
437		18.80 MMgal/yr	-	-	External Floating Roof
2013		75.61 MMgal/yr	Seals as specified in	Unknown	

SN	Emission Factor Source (AP-42, testing, etc.)	Emission Factor (lb/ton, lb/hr, etc.)	Control Equipment	Control Equipment Efficiency	Comments
2018		1075.20 MMgal/yr	60.112b(a)(2)		

14. TESTING REQUIREMENTS:

The permit requires testing of the following sources.

SN	Pollutants	Test Method	Test Interval	Justification
None				

15. MONITORING OR CEMS:

The permittee must monitor the following parameters with CEMS or other monitoring equipment (temperature, pressure differential, etc.)

SN	Parameter or Pollutant to be Monitored	Method (CEM, Pressure Gauge, etc.)	Frequency	Report (Y/N)
None				

16. RECORDKEEPING REQUIREMENTS:

The following are items (such as throughput, fuel usage, VOC content, etc.) that must be tracked and recorded.

SN	Recorded Item	Permit Limit	Frequency	Report (Y/N)
Facility	Crude oil throughput	25.6 million barrels (1,075 million gallons) of product per rolling 12-month period	Monthly	No
01, 2013, and 2018	VOL storage and period	Total should not exceed 25.6 MMbarrels per 12 rolling months	Varies	No
01, 2013, and 2018	Maximum vapor pressure	As calculated by §60.116b(e)	Varies	No
01, 2013, and 2018	Design, dimensions, and	-	Initial	No

SN	Recorded Item	Permit Limit	Frequency	Report (Y/N)
	capacity			

17. OPACITY:

SN	Opacity	Justification for limit	Compliance Mechanism
All Tanks	0%	Reg.18.501	Inspector Observation

18. DELETED CONDITIONS:

Former SC	Justification for removal
	None

19. GROUP A INSIGNIFICANT ACTIVITIES:

The following is a list of Insignificant Activities including revisions by this permit.

Source Name	Group A Category	Emissions (tpy)						
		PM/PM ₁₀	SO ₂	VOC	CO	NO _x	HAPs	
							Single	Total
Fugitive emissions (valves, connectors/flanges, pumps)	A-13			4.34				

20. VOIDED, SUPERSEDED, OR SUBSUMED PERMITS:

The following is a list of all active permits voided/superseded/subsumed by the issuance of this permit.

Permit #
2036-AR-1

APPENDIX A – EMISSION CHANGES AND FEE CALCULATION

Fee Calculation for Minor Source

Revised 03-11-16

Facility Name: Delek Logistics
 Operating, LLC - El Dorado Pipeline
 Company
 Permit Number: 2036-AR-2
 AFIN: 14-00448

			Old Permit	New Permit
\$/ton factor	23.93	Permit Predominant Air Contaminant	38	44.7
Minimum Fee \$	400	Net Predominant Air Contaminant Increase	6.7	
Minimum Initial Fee \$	500			
Check if Administrative Amendment	<input type="checkbox"/>	Permit Fee \$	400	
		Annual Chargeable Emissions (tpy)	44.7	

Pollutant (tpy)	Old Permit	New Permit	Change
PM	0	0	0
PM ₁₀	0	0	0
PM _{2.5}	0	0	0
SO ₂	0	0	0
VOC	38	44.7	6.7
CO	0	0	0
NO _x	0	0	0
Total HAPs	9.81	3.74	-6.07
Benzene	1.07	0	-1.07
n-Hexane	8.74	0	-8.74