

STATEMENT OF BASIS

For the issuance of Draft Air Permit # 2036-AR-3 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
8/7/2019	Modification	Permitting of truck loading and unloading as SN-02

6. REVIEWER'S NOTES:

Delek Logistics Operating, LLC operates the El Dorado Pipeline Company located in Magnolia, Arkansas. With this modification, the facility is permitting the operation of a Lease Automatic Custody Transfer (LACT) truck loading and unloading system as SN-02. Annual permitted emissions increase by 1.3 tons per year (tpy) of VOC, 0.01 tpy of H<sub>2</sub>S, and 0.10 tpy of total HAPs with this modification. Hydrogen sulfide modeling was performed with AERMOD v18081 using Lakes Environmental AERMOD View 9.5.0.

7. COMPLIANCE STATUS:

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

The facility was last inspected on June 28, 2016 and was found to be in compliance. EPA ECHO shows a violation in the third quarter of 2019 and this modification addresses the self-disclosure of the operation of the previously unpermitted source SN-02.

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:

The following are results for ambient air evaluations or modeling.

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) H<sub>2</sub>S 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 H<sub>2</sub>S Standards N  
 If exempt, explain: \_\_\_\_\_

Pollutant	Threshold value	Modeled Concentration (ppb)	Pass?
H <sub>2</sub> S	20 parts per million (5-minute average*)	0.004786 ppm	Y
	80 parts per billion (8-hour average) residential area	N/A	N/A
	100 parts per billion (8-hour average) nonresidential area	1.163 ppb	Y

\*To determine the 5-minute average use the following equation

$$C_p = C_m (t_m/t_p)^{0.2} \text{ where}$$

C<sub>p</sub> = 5-minute average concentration

C<sub>m</sub> = 1-hour average concentration

t<sub>m</sub> = 60 minutes

t<sub>p</sub> = 5 minutes

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
02	Mass balance Facility estimates from previous permits	0.50% Vapor HAPs 1.5% Benzene 0.2% Cumene 0.5% Ethylbenzene 3.0% Hexane 0.2% Naphthalene 1.5% Toluene 1.5% Xylenes	-	-	7,200 bbl/day
337	TANKS 4.0.9d	0.06 MMgal/yr	-	-	Vertical Fixed Roof
435		36.25 MMgal/yr	-	-	
437		18.80 MMgal/yr	-	-	
2013		75.61 MMgal/yr	Seals as specified in 60.112b(a)(2)	Unknown	External Floating Roof
2018		1075.20 MMgal/yr			

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 capacity	-	Initial	No

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 <sub>10</sub>	SO <sub>2</sub>	VOC	CO	NO <sub>x</sub>	HAPs	
							Single	Total
Fugitive emissions (valves, connectors/flanges, pumps)	A-13			4.34				

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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-2

## 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-3  
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			Old Permit	New Permit
\$/ton factor	23.93	Permit Predominant Air Contaminant	44.7	46
Minimum Fee \$	400	Net Predominant Air Contaminant Increase	1.3	
Minimum Initial Fee \$	500			
Check if Administrative Amendment	<input type="checkbox"/>	Permit Fee \$	400	
		Annual Chargeable Emissions (tpy)	46	

Pollutant (tpy)	Old Permit	New Permit	Change
PM	0	0	0
PM <sub>10</sub>	0	0	0
PM <sub>2.5</sub>	0	0	0
SO <sub>2</sub>	0	0	0
VOC	44.7	46	1.3
CO	0	0	0
NO <sub>x</sub>	0	0	0
H <sub>2</sub> S	0	0.01	0.01
Total HAPs	3.74	3.84	0.1