

Notice Concerning Proposed Kansas Air Quality
Construction Permit

Notice is hereby given that the Kansas Department of Health and Environment (KDHE) is soliciting comments regarding a proposed revision of an air quality construction permit. Frontier El Dorado Refining LLC (FEDR), located at 1401 South Douglas Road, El Dorado, Kansas 67042, has applied for a revision to an air quality construction permit in accordance with the provisions of K.A.R. 28-19-300. The initial permit was issued on November 13, 2013 and approved FEDR to modify its refinery operations in order to meet the U.S. EPA Mobile Source Air Toxics Phase 2 (MSAT II) rule which limits the benzene content of gasoline produced in the U.S. to an annual refinery average of 0.62 percent by volume. FEDR's proposal to meet the requirements of the federal MSAT II rule is facilitated through the Naphtha Fractionation Project (NFP) which includes installation of a 20 MMscfd Hydrogen Generation Unit for providing additional high purity hydrogen and steam including a Pressure Swing Adsorption (PSA) purification unit, a 210 MMBTU/hr reformer furnace which will combust refinery fuel gas, natural gas, and PSA off-gas, and atmospheric and analyzer vents; a Crude Unit Stabilizer Column to replace the existing column; a Naphtha Fractionation Column to replace the Hydrotreating Unit #3 Naphtha Splitter Column, the Reformate Splitter Columns, and the Deisohexanizer; and process fugitive equipment associated with the project. The reformer furnace will utilize Selective Catalytic Reduction (SCR) technology which will include an SCR system, an aqueous ammonia storage tank, and process fugitive equipment. Existing equipment and/or processes affected by the NFP include a cooling tower, gasoline storage, and isomerate storage.

Emissions of Greenhouse Gas (GHG), in addition to other pollutants, were evaluated during the initial permit review process, and a permit was issued in accordance with the provisions of K.A.R. 28-19-350, which adopts by reference the federal standards, procedures and requirements of *40 CFR 52.21, Prevention of Significant Deterioration (PSD) of Air Quality*. These air quality regulations apply to major stationary sources and major modifications of major stationary sources located in areas designated as "attainment" or "unclassifiable" under the federal Clean Air Act. Attainment areas are areas where the air quality meets or is better than the National Ambient Air Quality Standards (NAAQS). Unclassifiable areas are areas where the air quality cannot be classified on the basis of available information as meeting or not meeting the NAAQS.

The PSD regulations require evaluation of emission reduction techniques to identify the best available control technology (BACT) for each regulated pollutant, including GHG, for which the emission rate exceeds the PSD significant level. The purpose of BACT is to affect the maximum degree of reduction achievable, taking into account energy, environmental, and economic impacts for each regulated pollutant under review. Estimated emissions from the project exceeded the PSD significant level for GHG.

There are no NAAQS or PSD increments established for GHG. Consistent with the EPA Guidance Document "PSD and Title V Permitting Guidance for Greenhouse Gases" (March 2011), FEDR was not required to model for GHG or conduct any assessment of impacts of GHG in the context of the additional impacts analysis or Class I area provisions.

Since issuance of the initial permit, the United States Supreme Court issued, on June 23, 2014, a decision in *Utility Air Regulatory Group v. Environmental Protection Agency* (EPA) (No. 12-1146) addressing the application of stationary source permitting requirements to GHG. The Supreme Court held that the Environmental Protection Agency may not treat GHG as an air pollutant for purposes of determining whether a source is a major source required to obtain a PSD permit; and thus, invalidated regulations implementing that approach. In light of the Supreme Court decision, the November 13, 2013 permit requirements associated with GHG emissions, specifically GHG BACT, are no longer appropriate and are being eliminated by the proposed permit revision.

A public comment period has been established to allow citizens the opportunity to express any concerns they may have regarding the proposed permitting action. The public comment period is to begin on Thursday, February 11, 2016, and will end on Monday, March 14, 2016 at noon. During this comment period, public comments shall be accepted only on proposed revisions to the permit. All comments should be submitted in writing to Rasha S. Allen, Bureau of Air, 1000 SW Jackson, Suite 310, Topeka, KS 66612-1366.

Any member of the public may request the Department to hold a public hearing to receive comments on the proposed issuance of the draft air quality construction permit. A written request to hold a public hearing should be sent to the attention of Rasha S. Allen at the address listed above or by FAX to (785) 291-3953, and must be received by noon on Monday, March 14, 2016.

A copy of the proposed permit, permit application, all supporting documentation, and all information relied upon during the permit application review process are available for public review for a period of 30 days from the date of publication during normal business hours (8:00 AM to 5:00 PM) at the KDHE, Bureau of Air, 1000 SW Jackson, Suite 310, Topeka, KS 66612-1366. A copy of the proposed permit and all supporting documentation can also be reviewed at the KDHE South Central District Office, 130 South Market, Suite 6050, Wichita, KS 67202-3802. To obtain or review the proposed permit and supporting documentation, contact Rasha S. Allen, (785) 296-1693, at the KDHE central office or the air program field staff, (316) 337-6042, at the KDHE South Central District Office. The standard departmental cost will be assessed for any copies requested.

These same materials are available, free of charge, at the KDHE Bureau of Air website, <http://www.kdheks.gov/bar/index.html>.

Susan Mosier, MD, Secretary
Kansas Department of Health and Environment