

Lightering Workgroup Meeting - August 4, 2006

Location: Air Quality Management's Grantham Lane Facility in New Castle

Objective of Meeting: Review the Subgroup's recently developed draft regulatory language

Minutes:

- Meeting commenced at approximately 0915 hours.
- The meeting ended at approximately 1150 hours.
- Charts from the August 4 workgroup meeting follow.

Items and Issues

- **Reverse lightering** does not appear to be specifically addressed. Is it covered by the regulation or not?
- Lightering service definition refers to **person**, this was somewhat confusing when contrasted with owner or operator being used throughout the regulation
- **Depressurization venting** is used in several paragraphs of the regulation; the calculation of the volume of uncontrolled lightering being prime example; however, this term was not defined anywhere.
- It was noted that the term **crude oil owner** can be more complicated than the single entity inferred in the regulation because
 - Ownership can change hands in transit
 - Crude oil could be jointly owned
 - And there are other more complicated arrangements beyond these two.
- The point was raised that a new lightering service operators may want to use an **alternative control technology** and the language of 46.3.1 infers that only vapor balancing is acceptable.
- The question was raised whether the rule was sufficiently clear that a new lightering operator had to vapor balance or an approved alternative control technology after the effective date.
- It was suggested that **paragraph 46.3.6** appears to be unnecessary; that is paragraph 46.3.7 is all that is need.
 - During this discussion, others thought both were needed.
 - A suggest improvement was to combine 3.6 and 3.7 by moving second sentence of 3.6 to 3.7 language.
 - It was pointed out that from a permit writer's viewpoint, keeping 3.6 will improve permit clarity for compliance.
 - The ability to enforce 46.3.7 was questioned as there is no state enforceable permit for the crude oil owners
- While the existing lightering services fully understand the **leak tightness testing requirements**, there was a concern raised that a new lightering service might not understand the leak tightness requirements based on the requirements in 46.3.2.

August 21, 2006

Lightering Workgroup Meeting - August 4, 2006

- Most others thought this would not be a problem and that the MACT standard referenced was clear
- Not everyone was familiar with the various ozone web sites and how to sign up of notification of ozone alerts or ozone action day declarations.
- Although OAD are declared by 1430 hours, it noted that at times the emails of the declaration were not received until nearly mid-night, which significantly impairs scheduling on OADs.
- It was pointed out that as written, the emergency lightering exemption would not cover supply-chain emergencies.
 - Particular note was made of those serious situations outside the responsibility of the crude oil owner; such as
 - Extended weather related delays,
 - Restricted traffic movement in the Delaware River, such as during the ATHOS I incident,
 - Need for regional increased production, such as during Katrina,
 - etc.
 - The question was raised whether the Governor or the Secretary has the ability to grant an exemption by declaring an emergency, if requested.
 - It was noted that the Statutes provide the Secretary the ability/flexibility to exempt sources subject to regulations.
- Should a table be added to identify other non-section 46 requirements?
 - This concept, similar to the General Provision Table in Part 63 (MACT standards), was suggested as a means to clarify the other applicable requirements in Regulation 1124.
- It was pointed out with the current Valero participant's transfer that Valero no longer had a participant on the Workgroup.

CHART 4 - Continued

- It was pointed out that the Approval Letter requirement in 46.5.2 did not provide certification of vapor tightness; the Approval Letter certifies the vapor control system design is consistent with USCG regulations for such systems
 - The general consensus recommended
 - Keeping reference to the approval letter in the requirement as this insures the design meets USCG requirements and
 - Adding the vapor tightness testing requirement used elsewhere before initial operation, i.e. paragraph (c)(1) or (c)(2) of 40 CFR 63.565.
 - It was pointed out the Approval Letter is also contained in other requirements (46.7.4.1.7 and 46.9.1.3) and they may need similar changes
 - Additionally, it was pointed out that the Approval Letter would not be specifically certifying a “vapor balancing system”, but would certify a “vapor control system” according to USCG parlance.