

## Alaska Oil and Gas Association

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*Kate Williams, Regulatory Affairs Representative*

February 28, 2011

Mr. Wally Evans  
Air Permits Program  
Alaska Department of Environmental Conservation  
619 E. Ship Creek, Suite 249  
Anchorage, AK 99501

**Re: Public Comments on Draft Title V Operating Permit No. AQ0190TVP02  
Cook Inlet Pipe Line Company Drift River Terminal and Christy Lee Loading  
Platform**

Dear Mr. Evans:

The Alaska Oil and Gas Association (AOGA) is submitting the enclosed public comments addressing the public noticed draft Title V Permit No. AQ0190TVP02 for the Cook Inlet Pipe Line Company (CIPL) Drift River Terminal and Christy Lee Loading Platform.

AOGA is a non-profit trade association that represents the majority of oil and gas exploration, production, transportation, refining and marketing activities in Alaska. Our mission is to foster the long-term viability of the oil and gas industry in Alaska. We provide a forum for communication and cooperation with members, the public and local, state and federal governments; development of common industry positions through our Board of Directors, five standing committees and several work groups; and input on local, state and national legislative and administrative actions that affect the petroleum industry in Alaska.

AOGA is providing this comment to support CIPL's request for the deletion of the marine vessels visible emission standard (18 AAC 50.070) and associated monitoring, recordkeeping, and reporting requirements in Condition 5 of the public noticed draft permit. These onerous requirements would have an adverse economic impact on the Alaska oil and gas industry as a whole for no apparent environmental benefit. In addition, AOGA finds these requirements impractical and without regulatory basis as follows:

- 1. Lack of Regulatory Basis:** The ADEC definition of building, structure, facility, or installation (i.e., "stationary source") excludes tank vessels in the trade of transporting cargo. The following citations illustrate this point:

- 18 AAC 50.990(105): “stationary source” has the meaning given in AS 46.14.990.
- AS 46.14.990(27): “stationary source” has the meaning given 40 C.F.R. 51.166(b) or 40 C.F.R. 70.2, depending on the context in which the term is used.
- 40 C.F.R. 70.2: “stationary source” means any building, structure, facility, or installation that emits or may emit any regulated air pollutant or any pollutant listed under section 112(b) of the Act.
- 40 C.F.R. 51.166(b)(5): “stationary source” means any building, structure, facility, or installation which emits or may emit a regulated NSR pollutant.
- 18 AAC 50.990(17): “building, structure, facility, or installation” has the meaning given in AS 46.14.990.
- AS 46.14.990(4): "building, structure, facility, or installation" has the meaning given in 40 C.F.R. 51.166(b)<sup>1</sup> except that it includes a vessel (A) that is anchored or otherwise permanently or temporarily stationed within a locale; (B) upon which a stationary source or stationary sources are located; not including stationary sources engaged in propulsion of the vessel; and (C) that is used for an industrial process, excluding a tank vessel in the trade of transporting cargo; in this subparagraph, "industrial process" means the extraction of raw material or the physical or chemical transformation of raw material in either composition or character (*emphasis added*).

Furthermore, even though the federal definition in 40 C.F.R. 51.166(b)(6) of “building, structure, facility, or installation” does not exclude tank vessels in the trade of transporting cargo, EPA guidance has set precedent stating that opacity and particulate matter monitoring for berthed vessels are not a requirement of Title V (EPA, 2/29/1996). Specifically, EPA stated to Oregon DEQ that, “Even when there is common ownership, though, the facility may not reasonably be expected to control all ship board emissions. For example, the facility generally has little ability to assure that the docked ships comply with OAR 340-030-0470 which requires ships to comply with opacity and particulate standards”. As such, EPA found that “OAR-340-030-0470 is not an applicable requirement of the Title V permitted facility” and “relieves the facility from the responsibility for assuring that the ships comply”.

- 2. Impractical Requirements:** Method 9 observations could not conform to the EPA Method 9 specific procedures (i.e., viewing angles, location of the sun, etc.) because many of the platforms, such as the Christy Lee Loading Platform, have limited space. For example: (1) the distance between the observer and the vessel is fixed and may not be sufficient to get adequate view of plume; (2) it may be impossible to have the observer positioned with the

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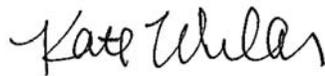
<sup>1</sup> 40 C.F.R. 51.166(b)(6): “building, structure, facility, or installation” means all of the pollutant-emitting activities which belong to the same industrial grouping, are located on one or more contiguous or adjacent properties, and are under the control of the same person (or persons under common control) except the activities of any vessel. Pollutant-emitting activities shall be considered as part of the same industrial grouping if they belong to the same Major Group ( i.e., which have the same two-digit code) as described in the Standard Industrial Classification Manual, 1972, as amended by the 1977 Supplement (U.S. Government Printing Office stock numbers 4101–0066 and 003–005–00176–0, respectively).

sun at their back; (3) it may be impossible to have the observer positioned perpendicular to the plum direction; and (4) many of the platforms are not surrounded by Method 9 certified personnel who would be readily available to do the Method 9 observations anytime the opacity from the tanker vessels visible emissions indicate 15 percent.

In conclusion, AOGA requests removal of the requirement for CIPL to comply with the marine vessels visible emission standard and associated monitoring, recordkeeping, and reporting requirements in Condition 5 of the public noticed draft permit. The deletion of this requirement from the permit does not relieve the vessel operators from complying with the marine vessel visible emission standard in 18 AAC 50.070. Consequently, compliance with the regulatory requirement will be placed on the entity that has control of the emissions (i.e., the vessel), rather than the permitted stationary source.

If you have any questions regarding our comments, please do not hesitate to contact me.

Sincerely,



KATE WILLIAMS  
Regulatory Affairs Representative

cc: Barry Staskywitz, Cook Inlet Pipeline Company, Anchorage, AK  
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